DAILY DIGEST

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Vol. XX, No. 41 Section 1 February 18, 1926.

IN CONGRESS

The Senate yesterday passed the deficiency appropriation bill carrying $423,577,000, according to the press to-day.

The Senate passed a resolution directing the Tariff Commission to investigate the cost of production in the United States and Canada of milk and cream.

Republican Senators yesterday decided to change the rules so that all proposals for investigations shall first be submitted to the committee having the matter in charge. (Press, Feb. 18.)

COPELAND ASKS LIFTING POTATO EMBARGO

The press to-day states that, arguing a short domestic crop had made prices too high for New York's poor, Senator Copeland yesterday urged before a Senate committee that the potato embargo be modified to admit foreign potatoes for consumption only in New York City. He said there would be no danger of spreading the potato wart if the potatoes were brought in from Holland under inspection.

FLOUR MILLS TO MERGE

Negotiations for a $15,000,000 merger of flour milling and elevator properties in the Middle West and Northwest were confirmed in Wall Street yesterday. Bankers said the conferences had been held in Kansas City and were continuing, but that details probably would not be completed for a month. There will be public financing in connection with the merger, but the amount has not yet been determined. The program calls for a consolidation of the Kansas Flour Mills Company, which has twelve mills, six mills in the Northwest owned by B. B. Sheffield interests in Minneapolis, three mills in the Valier & Spies Company of St. Louis and a string of grain elevators in Kansas, Missouri, Oklahoma and in the Northwest. Plans call for the formation of a company that will rank with Pillsbury, Standard Milling and the other large flour companies. (Press, Feb. 18.)

REFORESTATION IN NEW YORK

The press to-day states that the New York State Conservation Commission at Albany calls attention to the support given by Governor Smith to its plea for turning idle land throughout the State to profitable use by planting forests on it.

NEW YORK FUR AUCTION

The New York Times to-day states that raccoon was the only fur to advance on the final day of the Huth auction at New York yesterday. The sale ran eight days and closed with total receipts of $3,450,000.

Section 2

Canadian-Australian Treaty

The Nor'West Farmer (Winnipeg) for February 5 says: "Lionel E. Taylor, retiring president of the British Columbia Fruit Growers' Association, flayed the recently enacted Australian trade treaty at the annual convention of that organization held recently in Vernon. Mr. Taylor said that fruits and fruit pulp, as well as canned goods, would be admitted into Canada duty free at a time when the Canadian grower was just getting established in these branches of agriculture. Australian agents were right now, he said, quoting fruit at prices which were less than the cost of production in Canada. Vancouver Island poultrymen at a recent meeting also went on record as being against the treaty, but their objections were to that part which dealt with the importation of eggs. There were some at the meeting, however, who were inclined to the opinion that as Australia would be buying larger quantities of pulp and paper, that British Columbia might indirectly benefit by being called upon to produce larger quantities of foodstuffs to supply increased population brought about by increased business at the pulp mills."

Chilean Nitrate Output

Nitrate production in Chile increased during the year 1925 to 2,520,000 metric tons, as compared with 2,400,000 during the previous year, according to a cable received by the Department of Commerce. The production during the month of December was 240,000 tons with 91 plants operating. (Press, Feb. 17.)

Equality for Agriculture

An editorial in Wallaces' Farmer for February 12 says: ".... Once we can get our corn belt business men and manufacturers conscious of the importance of agriculture and anxious to see farming put on an equality with other industries, then we have some chance to convert folks in other sections. Our great difficulty so far is that we have been betrayed too often in our own household; some farm papers have played the game of the industrialist; some manufacturers who depended on farm trade have echoed the ideas of manufacturers whose main interest was cheap food. If we can get the farm West working as a unit, then there will be a chance of getting the farm point of view across to other groups. The corn belt conference has made a splendid start in this campaign. Perhaps the first aim in this campaign should be to drive home the idea of equality. Equality for agriculture means that the farmer deserves and intends to share in the increase in national wealth brought about by inventions and better social organization. So long as the 30 per cent of the population that is on the farm is only getting 14 per cent of the national income, it ought to be evident that agriculture is not getting a square deal."

Farmer Demands

An editorial in Farm and Ranch for February 13 says: "Farm and Ranch frequently receives letters from farmers in which it is argued that the Government should purchase all surplus agricultural products at a profitable price to the farmers producing them. It might as well be understood now and forever that a Government guarantee of a profit on surplus production must carry with it Government control of acreage, and that Government control of acreage will rob farmers of their independence and make serfs out of them. To guarantee a profitable surplus without Government control of production would encourage the increasing of acreage on every major crop produced in the country. It is very probable that continued demands upon Congress will eventual-

ly bring about legislation that will bring temporary relief, but in the end will handicap farmers in the free exercise of their rights. It is well to study every proposed remedy for agricultural ills. Agriculture does not want to be doped, but wants permanent relief. Farmers want a remedy for the ills of their business, but should insist that any legislative action shall be based upon common sense and logical reasoning."

World Economic Conditions

Emery Deri is the author of an article on world economic conditions in The Magazine of Wall Street for February 13. In this he says: "....As to the raw materials which Europe with the English Empire is able to control, we can say that in spite of the predominance of American industrial production and the riches of the natural resources of this country, the combined economic force of the European countries controls more raw materials than the United States does. While the United States has an actual control over cotton and copper and controls partly the world's oil production -- wool, jute and rubber are controlled by England and its colonies; and dyestuffs, quicksilver, iodine, some chemical materials and certain tanning extracts by other European countries. ....As to the big mergers which turned big industrial concerns to colossal trust-like organizations, the effect of this trend will be the standardization of certain industries and the reduction of the overhead expenses. To show how far this development has gone during the last six months and to show what it means to American production we shall take only one country, Germany, the most dangerous competitor of America. ....In September the five great Rheinisch Westphalen steel concerns amalgamated into one giant combine. It was stated that the new trust would be patterned after American methods. The main reason behind the merger was the competition of the American industry. In October of last year a merger of the entire German chemical industry with a capitalization of more than $160,000,000 was completed. The new organization will control the manufacture and distribution of practically all the Reich's anilin dyes, nitrogen, pharmaceutical and photographic products and organic and inorganic chemical derivatives as well as the artificial silk industry. The merger was a result of Germany's plan to recapture world markets in chemical products, with the hope of using her now practical methods of air-fixation of nitrogen as a leverage. If Germany succeeds in recapturing the world markets for her chemical industry, it will mean a hard blow to the American chemical industry, in spite of the custom duties on German chemicals. The highly developed German chemical industry will produce at such a low cost that it will force America to buy her chemical products. As we have seen, the readjustment and reorganization of the European industries is going on and the main tendency of the readjustment is to take up a competition with American production by making impossible the importation of American merchandise into Europe, by making America pay exorbitant prices for raw materials over which Europe has control and by trying to sell European goods in a larger quantity in America in spite of the protective American tariff. It is not yet an economic war but it is the preparation for an economic war. ....Still greater is the danger for those American industries which depend on raw materials over which European countries have control. Industries dependent on imported silk, nitrates, potash, rubber, quinine, iodine, tin, sisal, dyestuffs and even nickel and asbestos which are controlled by Canada, may be disturbed not only by a probable rise in the price of the raw material but also by the manufacturer's need to carry

large stocks in reserve. An artificial fluctuation in the prices of raw materials may be of a ruinous consequence for any manufacturer or even the distributors. If we conceive that America is paying at present $800,000,000 for this kind of raw materials yearly, we can realize what an artificial rise in prices may mean for American industry."

Section 3
MARKET QUOTATIONS

Farm Products

Feb. 17: Chicago hog prices closed at $13 for the top, bulk of sales $11.30 to $12.60; beef steers choice $10.85 to $11.75; heifers good and choice $7 to $10.75; cows, good and choice, $6.25 to $8.25, common and medium $4.50 to $6.25, canner and cutters $3.40 to $4.50; vealers, medium to choice, $10.50 to $14.50; heavy calves, medium to choice $6 to $8; stocker and feeder steers, common to choice $6.50 to $8.90; fat lambs medium to choice $12 to $13.50; yearling wethers, medium to choice $9 to $11.75; fat ewes, common to choice, $5.50 to $8.75; feeding lambs, medium to choice $12.25 to $14.25.

New York Round White potatoes $4.15 to $4.65 sacked per 100 pounds in eastern markets; mostly $4.05 f.o.b. Rochester. New York Baldwin apples slightly weaker, ranging $3.50 to $4.50 per barrel in leading markets and $3.50 f.o.b. Rochester. Midwestern yellow varieties of onions $2.25 sacked per 100 pounds in Chicago, $2.50 to $3 in other consuming centers and $2.25 to $2.40 f.o.b. Warsaw. New York Danish type cabbage irregularly higher, closing at a range of $55 to $70 bulk per ton in city wholesale markets and $55 to $60 f.o.b. Rochester. Florida pointed type about steady at $3 to $3.25 per 1 1/2 bushel hamper.

Grain prices quoted February 7: No. 1 dark northern Minneapolis $1.60 to $1.76. No. 2 red winter Chicago $1.78; St. Louis $1.81 1/2. No. 2 hard winter Chicago $1.72; St. Louis $1.71. No. 2 mixed corn Chicago 73 1/2¢; No. 4 mixed corn Chicago 66¢. No. 3 mixed corn Minneapolis 62 to 64¢. No. 3 yellow corn Minneapolis 66 to 70¢; St. Louis 70¢. No. 3 white corn St. Louis 70 1/4¢. No. 3 white oats Chicago 40 3/4¢; Minneapolis 36¢; St. Louis 41 3/4¢.

Closing prices on 92 score butter: New York 43 1/2¢; Chicago 42¢; Philadelphia 43 1/2¢; Boston 44 1/2¢.

Middling spot cotton in 10 designated spot markets advanced 9 points, closing at 19.60¢ per lb. New York March future contracts advanced 8 points, closing at 20.10¢. (Prepared by Bu. of Agr. Econ.).

Industrials and Railroads

Average closing price	Feb. 17	Feb. 16	Feb. 17, 1925
20 Industrials	160.05	158.88	118.48
20 R.R. stocks	110.76	110.23	98.33

(Wall St. Jour., Feb. 18.)

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Vol. XX, No. 42 Section 1 February 19, 1926.

IN CONGRESS A saving of $300,000,000 annually to the cotton crop would be possible, Senator Tyson, of Tennessee, yesterday told the Senate agricultural committee if the Government develops an airplane "poison duster" system.

Expansion of federal forest reserves was urged yesterday before the House agricultural committee by W. E. Greeley, chief forester.

The House judicial committee yesterday disapproved the resolution of Mr. LaGuardia, of New York, asking Attorney General for information about an alleged bread trust. (Press, Feb. 19.)

FLORIDA EMBARGO MODIFIED Due to the progressive improvement in the railroad transportation situation in Florida and the practical elimination of congestion of carload traffic north of Jacksonville and other gateways, destined to points in Florida, a substantial modification of the State-wide embargo that has been in effect for several months on practically all freight shipments into that State, was announced yesterday by the Car Service Division of the American Railway Association. It becomes effective 12:01 A.M., on Monday, when all commodities will go on the free list, except certain ones specified for movement permits, which must be obtained by receivers of freight under the plan inaugurated some time ago by the Florida division of the Southeast Shippers' Regional Advisory Board. (Press, Feb. 19.)

AGRICULTURAL MACHINERY FOR RUSSIA A Vienna dispatch to the press to-day says: "The Russian Foreign Trade Department is negotiating here for the purchase of a former arsenal. After the war the arsenal was turned into a plant for manufacturing agricultural machinery, but, largely due to inefficient Socialist management, was unsuccessful. The Russians wish to enlarge it into a factory for both agricultural and industrial machinery, employing Austrain workers but manufacturing exclusively for export to Russia."

FRANC STABILIZATION A Paris dispatch to the press to-day says: "Senator Massabuau Feb.18 introduced his bill requesting the Government to make a special convention with the Bank of France to stabilize currency of transitory silver value prior to progressive revaluation of the franc.

WASHINGTON MEAT PRICE INQUIRY An inquiry into the profits made by Washington butchers will be undertaken by Senator Capper, chairman of the Senate District committee, he made known yesterday. (Press, Feb. 19.)

Section 2

Beef Prices The Washington Post for February 18 says: "Each year Swift & Co., one of the big packers of Chicago, publishes a yearbook through which its 46,000 stockholders are advised of the operations of the preceding year... The report shows that the average price of cattle on the hoof in Chicago was $6.83 per hundred pounds in 1923, as compared with $6.55 in 1924 and $7.09 in 1925. There was a greater difference in the price of hogs, which brought an average of $7.49 in 1923, $7.82 in 1924 and $11.62 last year. The average beef animal will 'dress' about 65 per cent of his live weight, which means that a steer that weighs 1,000 pounds when he is conducted to the big Lithuanian who greets him with a pole-ax, will reduce his avoirdupois to 650 pounds of beef by the time he is hung up in the cooling room. The yearbook shows further the average price at which beef was sold last year in four leading cities. One of the four was Washington, where the 'branch house' sold the beef sent on from Chicago at an average price, for the entire year, of $14.90. A thousand-pound steer costing in Chicago $70.90 produced beef which brought in Washington $86.85 at $14.90 per hundred pounds, which does not appear to be an exorbitant profit for the packer, even though he realized a considerable sum from the sale of the hide and other 'by-products.' Swift & Co. report total sales for the year exceeding $875,000,000, upon which was realized a gross profit of 1¾ per cent. It would be interesting to ascertain, if that were possible, what was the average price at which that $14.90 beef was sold to Washington consumers."

Citrus Fruit in Florida An editorial in Florida Times-Union for February 16 says: "Fears have been expressed in the past regarding the probability of overproduction of citrus fruits and consequent low price and discouragement to those undertaking this interesting branch of horticulture. It is now possible to dissipate all such borrowed trouble. Florida is not raising nearly enough of the golden fruit to fill the present demands, and great encouragement should be offered those who look a little ahead and undertake the setting of more and larger groves. The huge crop predicted for the season of 1925-1926 had dwindled from a September estimate of 19,500,000 boxes to that after a January survey, showing probably less than 14,000,000 boxes; half of which has already been picked and shipped. Choice oranges are selling in Florida, within 15 minutes of the trees, for 5 and 6 cents each, and in some parts of the State they are 10 cents each and not plentiful. Grapefruit has scarcely been found that was sizable and good at less than 'two for a quarter,' and 10 cents each is charged for the sizes little larger than an orange. Late in the fall orange growers were protesting because the Government estimates of the citrus crop were far too high. Slowly the demands for a resurvey were met and the estimates came down a little. But the last report, made by H. A. Marks, Federal agricultural statistician, surprised many who were interested. That the crop will be less by more than 5,000,000 boxes than the first estimates is surprising everybody; but there is no doubt good reason for the statement just issued. It is said that a number of fine groves have been cut up and made into subdivisions, with consequent loss of trees and production, also that the storms of the winter, unusually severe everywhere, have caused much damage and the 'drops' are greater than in an average year....It seems almost absurd to say that in Florida, where the golden oranges grow, they are practically scarce and high priced.

But the facts can be attested by the housewives and those who provide for the entertainment of many people. The citrus fruit industry offers inducements and opportunities to many."

East Buys Cuban Sugar

Theo. H. Price, in Commerce and Finance for February 17, says: "Last week 6,138 tons of sugar were shipped from Cuba to New Zealand. Earlier in the year 11,159 tons were exported from Cuba to China, and considerable quantities of refined sugar have recently been bought in the United States for shipment to East India. These facts have made us curious, for it has seemed somewhat surprising that the Far East and the Antipodes should be buying sugar in the Western Hemisphere when they were so much nearer Java, where we have always been told that sugar could be produced in abundance at a low cost because labor was so cheap....Among the Oriental people sugar was not much used as food until recently. Sweetmeats and candies were known to them as luxuries that were sparingly consumed, but even to-day the Chinaman takes no sugar in his tea and to him as well as to the Japanese and the inhabitants of East India and Java the consumption of sugar on the scale that obtains in the United States would have been an unwarrantable extravagance. But times have changed. The ladies of Borneo are clad in bank notes because the wealth of America is being lavishly spent for the rubber that the Far East produces and in their prosperity the peoples of that remote region are learning the food value of sugar. Their consumption of it is increasing rapidly. They can not produce more without intrenching upon the land that is needed for other essential food crops, and so they have been compelled to go to Cuba--half way around the world--in order to obtain the additional sugar that they want and are now able to pay for. It is one of the most remarkable developments in the history of modern commerce and provides the surest guaranty we can have that a commodity for which there is such an insistent demand can not long remain below the cost of production plus a fair profit to the producer. In Cuba where sugar can be more cheaply produced than anywhere else in the world the cost of production plus even a small profit is at least 3 cents a pound, and the indications are that unless America bestirs herself all the Cuban sugar that is to be had below that figure will be bought by Europe, Asia and Oceania."

Moroccan Phosphate Exports

According to advices received by the Bankers Trust Company of New York from its French information service, exports of phosphates from Morocco to Europe in 1925 aggregated 720,688 tons as against 430,340 tons in 1924. Nine thousand four hundred thirty one tons were utilized in the country itself and 5,752 tons shipped to South Africa.

Wholesale Prices

Practically no change in the general level of wholesale prices in January as compared with the preceding month is shown by information collected in leading markets by the Bureau of Labor Statistics. The bureau's weighted index number, which includes 404 commodities or price series, registered 156.0 for January compared with 156.2 for December, 1925. Compared with January, 1925, with an index number of 160.0 there was a decrease of 2½ per cent. Farm products and foods declined slightly below the level of December. Lower prices were reported also for clothing materials, metals, chemicals, and drugs, and housefurnishing goods. In the group of miscellaneous commodities, due largely to falling prices of crude rubber, there was a decrease of 2 per cent. Fuels and building materials, on the other hand, averaged somewhat higher than in December.

Section 3

MARKET QUOTATIONS

Farm Products February 18: Potatoes about steady at northern Maine shipping points; 10¢ to 20¢ lower in western New York and the Great Lakes region; and irregular in city markets. Northern stock $3.75 to $3.95 carlot sales in Chicago; $3.50 to $3.60 f.o.b. New York City reported New York Danish type cabbage fairly steady at $65 bulk per ton. Midwestern yellow varieties of onions closed at $2.25 to $3 sacked per 100 pounds in consuming centers; $2.25 to $2.40 f.o.b. Warsaw, Ind. New York Baldwin apples sold about the same as a week ago, at a range of $3.50 to $4 per barrel in eastern cities, $4 to $4.50 in the Middle West and $3.50 f.o.b. Rochester.

Chicago hog prices closed at $13.60 for the top, bulk of sales $11.50 to $13; beef steers choice $11 to $11.75; heifers, good and choice $7 to $10.75; common to medium $5.75 to $9; cows, good and choice, $6.35 to $8.25; canner and cutter $3.50 to $4.65; vealers, medium to choice $10 to $14.25; heavy calves, medium to choice $6 to $8; stocker and feeder steers common to choice $6.50 to $9; fat lambs medium to choice $11.75 to $13.25; yearling wethers, medium to choice $8.50 to $11.25; fat ewes, common to choice $5.25 to $8.25; feeding lambs medium to choice $12 to $14.

Closing prices on 92 score butter: New York 44¢; Chicago 43¢; Philadelphia 45¢; Boston 44 1/2¢.

Grain prices quoted February 18: No.1 dark northern Minneapolis $1.62 to $1.76. No.2 red winter St.Louis $1.83 1/2; Kansas City $1.75 1/2; No.2 hard winter Chicago $1.73 1/2; St.Louis $1.73; Kansas City $1.68 to $1.71. No.3 mixed corn Minneapolis 62 to 64¢; Kansas City 66 1/2¢. No.4 mixed corn Chicago 65 1/2¢. No.2 yellow corn Minneapolis 66 to 70¢; St.Louis 68 3/4¢; Kansas City 68¢. No.3 white corn Kansas City 67 1/4¢. No.3 white oats Chicago 41¢; Minneapolis 36 3/4¢; St.Louis 42 1/4¢; Kansas City 40 1/2¢.

Middling spot cotton in 10 designated spot markets advanced 1 point, closing at 19.58¢ per lb. New York March future contracts advanced 5 points, closing at 20.15¢. (Prepared by the Bu. of Agr. Econ.)

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VOL. XX, NO. 43 Section 1 February 20,1926.

IN CONGRESS Dr. F. G. Cottrell, director of the Fixed Nitrogen Research Laboratory, yesterday told the Senate agricultural committee development of fixed nitrogen processes in this country comparable to those in Germany depends only on investments in proper plants.

The Vrooman plan for farm relief, modified, was introduced yesterday in a bill by Representative Oldfield, of Arkansas.

T. Warren Allen, of Bureau of Public Roads, yesterday told the House roads committee that less than 50 per cent efficiency in road construction is wasting millions of dollars a year in this country. (Press, Feb. 20.)

NATIONAL GRANGE MEETING An Associated Press dispatch to-day says: "The Executive Committee of the National Grange, which met at Washington yesterday for a two-day session, is divided on the Dickinson Farm Relief Bill and will not recommend its passage in its present form. The committee, it was said, is agreed on the provision for creating a Federal farm board, but is far apart on the proposal for an equalization fee on surplus sales....The committee was said to favor a higher tariff on agricultural products, the Haugen Cooperative Marketing Bill and further control of animal diseases and insect pests, while it is opposed to the Stanfield Grazing Bill and State or Federal aid to settlers on reclamation projects on the ground that agriculture is suffering from overproduction. L.J.Taber, master of the grange, said that the grange's policy 'is not so much to pull down manufacturing or wages as to level up agriculture to the same standard.'"

TURKEY LOWERS DUTY ON AMERICAN IMPORTS An Associated Press dispatch from Constantinople to-day says: "The American High Commissioner, Rear Admiral Mark L. Bristol, and the Turkish Foreign Minister, Tewfik Rushdi Bey, have signed a modus vivendi assuring the United States most-favored-nation commercial treatment for six months and consequently exempting America from the increased Turkish customs duties....American goods imported by Turkey are valued at about $7,000,000 annually, consisting chiefly of automobiles, agricultural implements and flour."

AGRICULTURAL MACHINERY OUTLOOK International Harvester Company dealers in the wheat, corn and dairy belts report the outlook for sale of tractors and other power farming machinery is good, subject to crop conditions and prices. Their reports indicate the demand for farm machinery this year will be based on the improved purchasing power of the farmer, with his desire to replace wornout equipment and reduce farm labor costs. (Wall St.Jour., Feb. 19.)

TEA CONSUMPTION An Associated Press dispatch to-day says: "Americans drank more tea in 1925 and paid more for it than ever before, the Commerce Department announced yesterday giving imports as 100,962,226 pounds, valued at $31,454,181."

Section 2

Business Conditions

Francis H. Sisson, president of the trust company division of the American Bankers Association, in an address before the trust companies at New York, February 18, said: "The fruits of the American capitalistic system, which provides primarily for the private ownership of property and the freedom of initiative, are manifested in our constantly increasing wealth, growing financial power, larger industrial capacity, harmonious labor relations, strong banking position, general commercial prosperity, and the living standards of our people. By these fruits we are willing to be known. Briefly we may with profit review some of the important facts which prove our case. Reduced to considerations of the moment we may say that our present high level of business activity is due to the return of buying power to the farmer, the boom in real estate, the activity in the motor industry and the increasing volume of capital seeking employment. But back of these obvious factors are the strength of our position in world finance, our supply of gold, our great natural resources, our increased productive capacity, our new markets and the constructive enterprise of our people. We have the money, the materials and the men; the combination which spells economic supremacy under a political regime which assures peace and order. The material gain in the value of our foreign trade is only one of many reflections of the forces which have promoted world-wide economic recovery from the disaster of war and the post-war collapse. The recovery has made enormous strides during the past year. Most of the countries of Europe have succeeded in balancing their budgets and in stabilizing their currencies, and several have definitely resumed the gold standard. Physical rehabilitation has been accompanied by industrial and commercial reorganization. Trade routes and markets, both new and old, have been opened. Provision has been made for the settlement of international debts, and new loans have been made to finance industrial expansion. And, finally, confidence has been promoted by the removal or mitigation of the peril of war...."

Cotton Acreage in Alabama

P.O. Davis, writing from Auburn to Manufacturers Record for February 18, says: "Alabama, together with all other States of the South, realizes the dangers of too much cotton. If the 1926 crop should be as large as that of 1925, there is every reason to believe that prices will be much lower, and that disappointment and unpaid debts will be the principal returns for cotton growers this year. But Alabama is tackling the problem from a different angle, bringing into play a bit of psychology which is calculated to be effective. Instead of making a flat cotton acreage reduction recommendation, the agricultural leaders of this State are stressing a safe farming plan which includes feed crops, livestock and cotton in proper proportions, and in proper relations to each other. The opinion of the Alabama leaders is that the most effective way to reduce the cotton acreage is not by making a flat reduction recommendation, but to stress other crops in a safe farming system, and thereby take cotton out of the spotlight by focusing attention on feed crops and livestock."

Food Prices

The retail food index issued by the Department of Labor shows for January 15, 1926, a decrease of almost one per cent since December 15, 1925; an increase of nearly six and a half per cent since January 15, 1925; and an increase of 67 per cent since January 15, 1913. The index number (1913 = 100.0) was 165.5 in December, 1925 and 164.3 in January, 1926.

Parcel Post and Cuban Tobacco

The press of February 18 states that the immediate adoption of legislation to make available the parcel post mails of the United States for transmission of cigars in small packages was urged February 17 before a subcommittee of the House ways and means committee by representatives of the Post Office Department as a safeguard against the abrogation of the existing parcel post agreement with Cuba. This plan was attacked by representatives of the American tobacco industry, who asked a postponement of the hearing until Wednesday next, when they will present well defined opposition.

Southern Progress

The American Exchange-Pacific National Bank of New York in its weekly financial statement gives due credit to the South for the remarkable progress that is now under way in the development of its industrial interests. It is as follows: "The magic wand of hard work is rapidly building an empire within an empire in the South. Industry is taking its place alongside agriculture, thus rounding out an economic structure that has few equals in the world. To the visitor able to look at the new South against the background of the old, the changes that have taken place seem actually to have been wrought by magic. But the magic has been the magic of hard work applied to natural resources such as are vouchsafed to few peoples. There is hardly any enterprise known to modern industry that is not represented in the great workshop of the new South....But with all this industrial development, the South is still predominantly agricultural. Its cotton fields, its peanuts, its potatoes, its fruits, its wheat and corn, its cattle and its forage make the South the land of the truly blessed. In the Southeast, water-power development has reached an advanced stage, many of the huge industries in Tennessee, the Carolinas, Georgia, and Alabama being driven by power developed in the mountain streams of the South....The great Southwest, with its ports, its vast resources of oil, timber, cattle and cotton, is one of the richest sections of the earth. Real wealth consists of natural resources and the tools for utilizing them. The South has this kind of wealth, and it is evident to the observer that its development has just begun."

Surplus Problem

An editorial in The Wisconsin Farmer for February 11 says: "The present emphasis being placed upon the importance of the farm surplus should not be permitted to cause farmers to forget the importance of many other factors in the price which they receive for their products. The removal entirely from the domestic field of the surplus would still leave many problems to be settled. Solution of export difficulties will not reduce the great spread between what the farmer receives for his products and what the consumer pays for them. It will not prevent the speculator from buying up farm crops and holding them to benefit from the increase. It will not do away with the wastefulness of marketing systems which take three or four or more profits during the process of delivering a quart of milk, a bushel of wheat, or a peck of potatoes from the farmer to the person who consumes them. The surplus question is just one phase of the great farm marketing question, and in some ways it is not the most important one. The domestic market is, and will remain, the great thing to be considered...."

Section 3
MARKET QUOTATIONS

Farm Products February 19: Chicago livestock quotations: Hogs, top $13.90, bulk $11.60 to $13.25; beef steers choice $11 to $11.75, good $9.85 to $11.25, medium $9 to $10.25, common $7.75 to $9.25. Heifers, good and choice, $7 to $10.75, common and medium $5.75 to $9. Cows, good and choice, $6.35 to $8.25, common and medium $4.65 to $6.35, canner and cutter $3.50 to $4.65. Vealers, medium to choice, $10 to $14.25, heavy calves, medium to choice, $6 to $8. Stocker and feeder steers, common to choice, $6 to $9. Fat lambs medium to choice $11.75 to $13.25, yearling wethers, medium to choice $8.50 to $11.25, fat ewes, common to choice, $5.25 to $8.50, feeding lambs, medium to choice $12 to $14.

New York sacked Round White potatoes $4.15 to $4.65 per 100 lbs. in a few eastern cities; $3.90 to $4 f.o.b. Rochester. Maine bulk Green Mountains $4.60 to $4.70 in New York City and $3.80 to $3.85 f.o.b. Presque Isle. Delaware and Maryland sweet potatoes, yellow varieties, $2.25 to $2.65 per bu. hamper in eastern markets. New York Baldwin apples in western New York $3.25 to $3.50 f.o.b. In leading city markets $3.75 to $4.50 per bbl. Florida pointed type cabbage $2.50 to $3 per 1 1/2 bu. hamper in the East. Texas stock $4 to $4.50 per bbl. crate in Chicago.

Grain prices quoted: No.1 dark northern Minneapolis $1.62 to $1.76; No.2 red winter St. Louis $1.84; Kansas City $1.75. No.2 hard winter Chicago $1.73 1/2; St.Louis $1.73; Kansas City $1.68 to $1.72. No.2 mixed corn Chicago 73¢; No.4 mixed 65 3/4¢. No.3 mixed corn Minneapolis 63 to 65¢; Kansas City 67¢. No.2 yellow corn Chicago 82¢. No.3 yellow corn Minneapolis 67 to 71¢; St. Louis 68 3/4¢; Kansas City 68 1/2¢. No.3 white corn St. Louis 70 1/2¢; Kansas City 68 1/2¢. No.3 white oats Chicago 40 3/4¢; Minneapolis 37¢; St.Louis 42 1/2¢; Kansas City 40 1/2¢.

Closing prices, 92 score butter: New York 44¢; Chicago 43¢; Philadelphia 45¢; Boston 44 1/2¢.

Closing prices on Wisconsin primary cheese markets Feb. 18: Daisies 22 1/2¢; Young Americas 22 1/2¢; Longhorns 22 1/2¢.

Average price of Middling spot cotton in 9 designated spot markets advanced 6 points, closing at 19.65¢ per lb.; New York March future contracts advanced 8 points, closing at 20.27¢. (Prepared by Bu. Agr. Econ.)

Industrials and Railroads	Average closing price	Feb. 19,	Feb. 18,	Feb.19,1925
	20 Industrials	160.92	161.09	119.71
	20 R.R. stocks	111.20	110.60	99.18

(Wall St. Jour., Feb. 20.)

DAILY DIGEST

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Vol. XX, No. 44 Section 1 February 23, 1926.

IN CONGRESS

From the Senate public buildings committee Chairman Fernald yesterday favorably reported House $165,000,000 public building bill. Dowell bill authorizing an expenditure of $165,000,000 in next two years for Federal aid in road construction was reported by the House roads committee. (Press, Feb. 23.)

LIBERIAN RUBBER

An Akron dispatch to the press to-day says: "Another Liberian expeditionary force, in charge of M. T. Copeland, of the export department of the Firestone Tire and Rubber Company, has departed from New York to augment the Firestone Plantation Company. Between forty and fifty men are now included in the company's Liberia contingent and the staff is continually being added to. According to reports received by company officials here, between 4,000 and 5,000 Negro laborers are at work on the plantation. The operations so far have proceeded in a most satisfactory manner, it is said, and the company expects to clear an acreage of 20,000 or 25,000 by the close of its year in Africa. The labor forces are being increased as rapidly as possible. Sites for about twenty separate developments to be placed under cultivation were immediately selected by the first group of engineers to be sent to the plantation. The company now has 2,000 acres under cultivation."

COTTON SEED AS FOOD

Cotton seed as a staple food will be discussed at a symposium to be held in connection with the spring meeting of the American Chemical Society April 5 to 9 at Tulsa, Okla., it was announced at New York yesterday through the society. Reports will be presented on the results of surveys of the possibilities for such use of cotton seed products Because of the high protein content of the seed it is predicted that synthetic beefsteak with practically the same protein value as real meat may be an outcome of the investigation. (Press, Feb. 23.)

TOBACCO IN CANADA

The rapid rate at which Canada is taking a place among the tobacco-producing countries of the world is indicated in a bulletin of the Canadian Pacific Railway showing that although the crops are mainly in the Provinces of Ontario and Quebec, that the estimated production in 1925 was 29,255,000 pounds grown on 27,815 acres, as compared with a yield of 18,710,740 pounds on 21,317 acres in 1924...."These swelling figures of acreage and production give a clear indication of the increasing importance of the Canadian tobacco crop and the rising prestige of the industry in all its ramifications. A few years ago Canadian tobacco was scarcely known beyond the confines of the Dominion, and not too highly regarded there. To-day the raw and manufactured product is going to many countries in increasing volume annually, and is steadily finding increasing favor, especially in the British Isles. The present status of the industry only faintly suggests what might be made of tobacco growing and manufacture in Canada. " (Press, Feb. 23.)

Section 2

British Agricultural Policy

Country Life (London) for February 6 says: "The Government's future agricultural policy has now been indicated, and it is clear that, as most of us have long surmised, agriculture will have to stand on its own legs and, for the most part, must get through its difficulties without legislative aid or official interference. The Government has decided that the financial resources of the country are at present insufficient to justify them in attempting to stem the tide of those economic forces that have reduced our arable acreage. In view of the burdens already laid upon us, and of many signs that the tide is on the turn, we are of opinion that, in the main, the country will say that the Government is right. We do not gather from the decision that the Government is necessarily indifferent to the evils of cultivated land reverting to grass any more than they are indifferent to slums, unemployment or other troubles that beset us. All are matters which statesmen of every party must deplore, but can only remedy as fast as, and so far as, the resources of the community will allow. Criticism will, of course, be concentrated less on what is proposed to be done than on what has been left undone. Few will quarrel with the wider provision of credit facilities, with the aid promised for drainage and for the improvement of marketing organization, or with the extension under careful safeguards of small holdings and occupying ownership. But there will be many to complain of desertion of the arable farmer and of an unfulfilled pledge to the barley grower. We do not, ourselves, propose to join in these plaints....But there is one matter on which we wish once more to take up the cudgels with all the energy at our command. We again urge the Government to introduce a preferential postage rate on parcels of farm produce...."

Chicago Reserve District Conditions

The generally prosperous industrial and agricultural conditions prevailing throughout the country have been shared by the Seventh Federal Reserve district and reflected in the operations of the Federal Reserve Bank of Chicago in 1925. Business has been carried on in large volume; although the first six months of the year were marked by considerable unevenness, by midyear the majority of activities in the district exceeded 1924 levels, broadening moderately after the usual summer curtailments which were less extensive than in former years, so that in many instances new yearly records were set. Important among these were the year's automobile output, steel ingot production, building operations, and the manufacture of farm equipment. As a consequence, industrial workers were well employed and at higher wages than during the preceding year, with resultant expansion of demand for consumption goods. Agricultural sections in general have contributed to increased purchasing power, good crops, as a rule with fair prices, effecting pronounced improvement in the majority of farming communities. Unfortunately there are some areas which have not shared in the increased income, and others, while benefiting, have not shared sufficiently to enable them to recuperate fully from the depression of recent years. The corn crop constituted the one exception to prevailing fair prices; the bulk of this has not been marketed, but if fed promises a good return at current livestock prices. (From Report, Feb. 18.)

Farm Cost Investigation

M. K. Bennett, Food Research Institute, Stanford University, is the author of a comprehensive articleson farm cost investigations in the current Quarterly Journal of Economics. He says in part: "The broad purpose of farm-cost investigation, as a type of economic inquiry conducted by agencies responsible primarily to farmers, has always been to discover

means whereby the economic welfare of farmers can be advanced. If, it has been argued, the profits of every farmer can be increased, then the economic status of the farming class will be improved....Farm-cost investigation has thus been regarded by its sponsors as a tool useful to serve at least eight different purposes, most of them of rather wide significance. On the whole, however, its history is a history of disappointed purposes. Experience in cost inquiry has served to cut down the list of objectives considerably. Few leaders of agricultural thought now entertain the notion that cost statistics serve effectively as propaganda to induce consumers to pay higher prices, or, as this use is more euphemistically expressed, to 'place the producer and the consumer on a better basis of mutual understanding.'....At the present time, then, the important recognized objectives of farm-cost inquiry are to teach farmers what to produce and in what proportions, and how to combine the cost factors in the detailed processes of production. Other objectives, certainly among agricultural leaders and to some extent among the rank and file, have largely come to be regarded as unimportant or impossible of achievement or undesirable in themselves; they have been either abandoned or neglected, or are in the course of abandonment. But it is for the purpos of increasing farm efficiency that cost inquiry may be expected to expand ...If agriculture prospers through remunerative prices in the next few years, the expansion of cost inquiry may be only slight. If prices fall, we may expect renewed proposals for measures to relieve the farmer; and cost inquiry is certain to be one of these. It may take the form of propaganda, or it may again be revived as a basis for price-fixing. In any event considerable effort will be devoted to cost inquiries designed to increase farm efficiency. The essential characteristics of farm costs of production are that costs are extremely difficult to obtain with even a fair degree of accuracy; that once obtained, the costs of a given product or operation vary widely among different farms in the same year; and that costs vary widely on the same farms in different years. These characteristics--far less widely recognized fifteen years ago than they are to-day, and perhaps not too clearly recognized even now--combine to render the investigator's task extremely difficult whatever the objective he wishes to achieve."

Surplus Problem

An editorial in The Michigan Farmer for February 13 says:"...Theoretically, the producers of basic farm products have been protected with a tariff on their products, but this tariff is inoperative except in rare instances where the product falls short of the estimated domestic demand for consumption, as is the case with potatoes this year. Wherever there is a surplus above domestic demand for consumption of staple farm products which must seek a foreign market, this surplus virtually fixes the price for the entire crop, and the tariff affords no protection to the producer. The best interests of domestic consumers ever involves a surplus over actual needs for consumption regardless of the usual accompaniment of a lower price under these conditions. It is impracticable to distribute the last bushel of wheat, the last pound of butter, or the last unit of any other product of a given year's production. There must be a surplus, else there will be a shortage for consumption in at least some centers of population. Consumers can well afford to pay a reasonable price insurance for the certainty of a needed supply of all basic farm products. Fairness to the producer of these basic agricultural products also demands that he should receive a price for them comparable with the price which he has to pay for domestic manufactures on which the protective tariff is operative and the price received for protected labor, with which he has to compete in the producing of these basic commodities."

Section 3

MARKET QUOTATIONS

Farm Products For the week ended February 20: Potato prices irregular. Maine sacked Green Mountains mostly $4.50 to $4.75 per 100 pounds in eastern cities; bulk stock $3.80 to $3.85 f.o.b. Presque Isle. Northern sacked Round Whites $3.65 to $3.90 carlot sales in Chicago; $3.50 to $3.65 f.o.b. New York Baldwin apples declined 10¢ to 25¢ per barrel in western New York to an f.o.b. range of $3.25 to $3.50. Midwestern yellow onions 10¢ to 15¢ lower in consuming centers at $2.50 to $3 sacked per 100 pounds; 15¢ to 20¢ lower f.o.b. Warsaw, Ind. at $2.25 to $2.40. New cabbage weaker; old stock irregular. Florida pointed type $2.75 to $3 per 1 1/2 bushel hamper in the East. Texas domestic $4 to $4.50 per barrel crate in Chicago, $90 to $100 bulk per ton in Pittsburgh and Cincinnati and mostly $50 f.o.b. Brownsville. New York Danish type mostly $60 to $65 in terminal markets; $55 f.o.b. Rochester.

Cattle receipts at eleven large mid-western markets for the week were about 10,000 less than a week ago and about 20,000 less than the corresponding period last year. Receipts of calves also showed declines amounting to about 3,000 compared with a week ago and 4,000 for the same period a year ago. Compared with a week ago fed steers and yearlings were 25 to 50¢ higher; extreme top weighty steers $11.35; long yearlings upward to $11.50. Shipper calves were mostly 50¢ lower, light kinds to packers as much as $1.50 off. Week's bulk prices: Steers $8.75 to $10.15, fat cows, $5 to $7, heifers $7 to $8.50; veal calves $11.50 to $13 and stockers and feeders $7.25 to $8.25; fat lambs around $1.50 lower than a week ago and feeding lambs 75¢ to $1 off. Fat sheep are $1 to $1.50 lower.

Butter markets developed some firmness during the week and prices regained some of the losses previously incurred. Trade was moderately active and the market closed in a good position. Closing prices on 92 score: New York 44¢; Chicago 43¢; Philadelphia 45¢; Boston 44 1/2¢.

Cheese markets steadier with prices at the cheese boards at Plymouth Wisconsin unchanged. Trade was moderate, but mostly for small lots. Production increases are still reported but the market is apparently absorbing supplies in good shape. Closing prices on Wisconsin primary markets February 19: Single Daisies 22 1/2¢; Double Daisies 22 1/4¢; Longhorns 22 1/2¢; Square Prints 23¢.

Grain prices slightly firmer. Wheat prices turning firmer at close of week with lighter marketings of domestic wheat. Corn futures fractionally higher than week ago and top grades moving readily but damp low grade corn selling at lower prices. Dealers hesitating about increasing stocks of damp corn account danger of spoiling. Oats fractionally higher.

Average price of Middling spot cotton in 10 designated spot markets declined 10 points during the week, closing at 19.66¢ per lb. New York March future contracts advanced 2 points, closing at 20.25¢.

Hay market dull. Good hay moving readily but bulk of offerings consisting of lower grades which sell at widening discounts. Off-grades almost unsalable in some markets. Quoted February 20: No.1 timothy,- Boston $26.50; New York $27.50; Pittsburgh $26; Cincinnati $25; Chicago $23.50; St.Louis $25; Kansas City $18.50; Memphis $27; Atlanta $31. No.1 alfalfa - Kansas City $21.50; Omaha $20; Memphis $29; Atlanta $34. No.1 prairie - Kansas City $13; Omaha $14.50; Chicago $17; St.Louis $18.25. Minneapolis $14.50. (Prepared by the Bu. of Agr. Econ.)

DAILY DIGEST

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Vol. XX, No. 45 Section 1 February 24, 1926.

AGRICULTURAL APPROPRIATION BILL REPORTED — The Senate appropriations committee yesterday reported the agricultural bill carrying a total of $129,370,468, which is $2,366,940 in excess of the amount appropriated by the House. (Press, Feb. 24.)

MIDWEST FARMERS' POSITION IMPROVED — A Chicago dispatch to the press to-day says: "Information from credit organizations discloses prudent farmer-buying and careful lending by banks throughout most of the midwest, but there is evidence that farmers are improving their position, getting their gear into better shape, buying more power units and machinery--getting ready to cut the costs of production....Marked improvement in farm efficiency, of course, depends to a considerable extent upon new capital. The purchasing power of the farmers as a class does not admit of great extensions at this time--they can not make heavy commitments now--because there is still a considerable amount of old indebtedness to liquidate, and the banks have to work cautiously in order to be in position even to extend help to deserving borrowers. The process of increasing farm efficiency will not be spectacular, therefore, but that progress is being made is undeniable. Merchants are urged by credit agencies not to force the issue, and wholesalers are urged not to try to load up their customers. As buying power is about what it was last year, it is reasonable to expect in the Central West, as a whole as much business as last year, but no great increase, if any, outside the industrial centers."

WILSON PACKING COMPANY SOLD — An Associated Press dispatch from Chicago to-day says: "The properties and business of Wilson & Co., bankrupt meat packers, were sold at public auction yesterday to a purchasing committee representing a reorganization committee formed by stockholders and creditors. The price was $23,150,000. Under the reorganization plan, Thomas E. Wilson will remain president of the company and the executive personnel will be unchanged. According to the promoters, the reorganized company is a $119,000,000 corporation. Yesterday's purchase price will cover all pressing claims against the company, and start it in business again in good shape financially."

TAX REDUCTION BILL — The House yesterday adopted conference report on tax reduction bill by vote of 354 to 28. (Press, Feb. 24.)

NEW HOURS FOR WEATHER OBSERVATIONS — An Associated Press dispatch yesterday said: "Recommendation for a change in the hours of the observations upon which the Weather Bureau bases its forecasts has been made in a preliminary report to H. C. Smither, chief coordinator of the budget, by a committee comprising representatives of the Army, Navy and Weather Bureau. The committee recommended that the observations should be taken throughout the country at 6 a.m. and 6 p.m., Eastern standard time, instead of two hours later, as at present. The change, it said, would benefit aviators and business interests generally."

Section 2

Artificial Silk Production

A London dispatch to the press of February 23 says: "The world's production of artificial silk was stated at yesterday's meeting of the Snia Viscosa Company to be 83,000,000 kilograms, of which the United States produces 30.13 per cent, Italy 16.26, Germany 14.45, England 13.25 and France 7.83 per cent."

Canadian Immigration

Immigration to Canada for the nine months of the fiscal year ended December 31 last, totaled 74,115, according to a report published by the Department of Immigration and Colonization. Of this number 31,004 were British, 14,988 from the United States and 28,123 from other countries. In addition, Canada's population was supplemented by the return of 7,923 Canadians from the United States during December and for the nine months the number was 33,529. (Agric. and Indus. Progress in Canada, February.)

Farm Relief

An editorial in The Wall Street Journal for February 18 says: "A change has come over the farming community in the past four years; the better element is disposed to help itself, and there is widespread realization that what the farmer needs is not the opening of the doors of the United States Treasury to him, but a proper conduct of his own business. A reader in the Middle West voices this sentiment in a letter wherein he also asks this question: 'What is all this talk about farmers needing legislative relief from the Government? How can it be done? Hasn't it always been a question of supply and demand, and a proper conservation of resources?' There is a thought in that last clause well worth consideration. The observation is prompted by another letter commenting on the waste in leaving farm machinery wherever the user last unhitched from it. Machines are left through the winter to rust and deteriorate, and in the spring, perhaps, will need to be replaced by new. The writer says that he 'took check of the number of pieces of farm machinery along the line of the Chicago & North Western Railroad between Council Bluffs, Iowa, and Clinton, Iowa, eastbound, and counted 352 pieces of expensive machinery, ranging from mowing machines and harvesters to tractors of large size. On the return trip, from Burlington to Council Bluffs over the Burlington route, there were 335 pieces of machinery standing out in the weather.' Look at this waste of machinery, merely that in the line of vision from running trains along two railways in the Corn Belt. Then make a guess as to the total value of such machinery on all the farms in that region. This notation was by one now living in the Middle West, who was reared on a farm in Illinois, who before and after the day's work was done had to do his share toward milking 30 cows. The observation in regard to the waste of machinery comes wholly from the soil. This waste would not make or break a farmer. But it is an index of character in methods of doing business...."

Milk and Grain

An editorial in Hoard's Dairyman for February 12 says: "The story is abroad in some sections of the East that arrangements are being made to ship milk from the Middle West to eastern markets. Some eastern dairy farmers suggest that they cease buying grain from the Middle West as a sort of retaliatory measure. We have had several letters about this and it seems a few farmers are quite excited over this rumor. We appreciate it is possible to ship milk long distances;

it is being shipped quite regularly from Wisconsin to some of the southern States. Some shipments of milk have been made from Wisconsin to the East. Most of the dairy products, however, shipped from the Middle West to the East are cream, butter, and cheese. It is not a practical business proposition to ship milk from the Middle West to the East. Prices paid for milk there are not high enough to make it pay. The creamery or cheese factory returns to the dairy farmers of the Middle West are quite as much and in some instances more when the value of skimmilk and whey is calculated. Further, the cost of producing milk for the creamery or cheese factory is not as high as that of producing market milk. The greatest drawback, however, in shipping milk from the Middle West to the East is the cost of transportation. It costs in the neighborhood of $1 to ship a 40-quart can of milk from Chicago to New York and eastern dairymen do not need half the advantage of this sum to compete successfully with the dairy farmers of the Middle West. The cost of producing milk in New York, for example, is not much higher than it is in Illinois or Wisconsin. Perhaps labor costs a little more in the East than in the West and some feeds may cost a little more, but these items are negligible compared to the extra cost of transporting milk from 1,000 to 1,200 miles."

Motor Vehicles in France — According to a statement made by Finance Minister Doumer and transmitted to the Bankers Trust Company of New York by its French information service, the number of motor vehicles in use in France in 1924 totalled 572,243. Of these 200,895 were lorries and the remaining 371,348 were passenger cars including 18,890 taxicabs. There were also 24,686 cyclecars, 17,950 sidecars and 1,982 motor-boats in circulation. No statistics for 1925 are yet available but it is estimated that the number of motor conveyances now in use in France is about 600,000.

New Zealand Bars Wheat Imports — The importation into New Zealand of wheat, wheat flour, white meal and ground wheat has been prohibited, except with the consent of the Minister of Customs, by a recently promulgated order in council, according to cable advices in the press of February 17.

Surplus Problem — An editorial in Farm and Ranch for February 13 says: "Government control of surplus production means Government price-fixing. Government price-fixing eventually means Government control of acreage, and that means the loss of the last vestige of independence for the American farmers. No other industry in the land has thrown itself so wholly upon the mercy of Congress. No industry has made more demands, and we may add, that no industry will get less satisfaction or real benefit from any action that may be taken. Agriculture is one industry that should stand on its own feet, and it is time that those engaged in it should give serious consideration to their own individual problems, and to the problems of the industry as a whole, and then work them out. At present, all is confusion. No organization of farmers has yet been able to tell Congress what the farmers need. Never have the farmers presented a clean-cut, sensible program to Congress to act upon. Delegations by the dozens have appeared before committees and failed to agree, and yet the demands for something to be done are so insistent that Congress is forced to make its own diagnosis, mix its own medicine, and force the farmers to swallow it."

Section 3
MARKET QUOTATIONS

Farm Products Feb. 23: Chicago livestock quotations: Hogs, top, $13.80, bulk of sales $11.40 to $13. Beef steers choice $11 to $11.75, good $9.85 to $11.25, medium $9 to $10.25, common $7.75 to $9. Heifers, good and choice $7 to $10.75, common and medium $5.75 to $9. Cows, good and choice, $6.50 to $8.25, common and medium $4.50 to $6.50, canner and cutter $3.50 to $4.50; vealers medium to choice $9.50 to $14, heavy calves, medium to choice $6 to $8, stocker and feeder steers, common to choice, $6.50 to $9.15. Fat lambs $12.25 to $13.85, yearling wethers, medium to choice, $9 to $11.75. Ewes, common to choice, $5.25 to $8.60; feeding lambs, medium to choice $12.25 to $14.25.

New York sacked Round White potatoes ranged $4.15 to $4.50 per 100 lbs. in eastern cities and sold mostly around $3.90 f.o.b. Rochester. Maine bulk Green Mountains $4.60 to $4.70 in New York City and $3.80 to $3.85 f.o.b. Presque Isle. New York Baldwin apples sold at $3.50 to $4.50 per bbl. in leading markets and mostly at $3.25 f.o.b. Rochester. Danish type cabbage from New York State brought mostly $60 to $65 bulk per ton in distributing centers and $55 to $60 f.o.b. Rochester. Florida pointed type $2.75 to $3.25 per 1 1/2 bushel hamper in a few eastern markets. Midwestern yellow onions $2 to $2.25 sacked per 100 lbs. in Chicago and $2.50 to $3 in other consuming centers.

Grain prices quoted: No.1 dark northern Minneapolis $1.65 to $1.79. No. 2 red winter St.Louis $1.85 1/2. No.2 hard winter Chicago $1.78; St.Louis $1.77 1/2. No.3 mixed corn Minneapolis 63 to 65¢. No.4 mixed corn Chicago 64 1/2 to 66 1/2¢. No.3 yellow corn Minneapolis 67 to 70¢; St. Louis 69 1/2¢. No.3 white corn St. Louis 70 3/4¢. No.3 white oats Chicago 41 1/4¢; Minneapolis 37¢; St. Louis 43¢.

Average price of Middling spot cotton in 10 designated spot markets declined 18 points, closing at 19.48¢ per lb.; New York March future contracts declined 16 points, closing at 20.09¢. (Prepared by the Bur. of Agr. Econ.)

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Vol. XX, No. 46 Section 1 February 25, 1926.

IN CONGRESS

The Senate agricultural committee yesterday approved a bill to prohibit admission of grain and seeds unfit for seeding purposes.

The Senate public lands committee yesterday was told by H. H. Chapman, of New Haven, Conn., that grazing injures development of national forests because sheep destroy the yearling trees.

Railroads would be permitted to establish emergency freight rates in small areas in time of public calamity under a bill introduced yesterday by Senator Mayfield, of Texas.

A bill to establish a national arboretum in the District of Columbia was disapproved yesterday by the House agricultural committee.

The migratory bird refuge bill was approved yesterday by the House agricultural committee. (Press, Feb. 25.)

NORTH CENTRAL AGRICULTURAL MARKETING CONFERENCE

An Associated Press dispatch from Des Moines to-day says: "Twenty-two representatives of the eleven Corn Belt States, organized as an executive committee of the North Central Agricultural Marketing Conference, will go to Washington next Sunday in an effort to obtain legislation to assist in stabilizing agriculture."

ILLINOIS FARMERS' INSTITUTE

An Associated Press dispatch from Quincy, Ill., to-day says: "Asking only that the United States Government give agriculture the same consideration given labor, commerce, transportation and finance in helping them to a clear enunciation of policy, Sam T. Thompson, president of the American Farm Bureau Federation, yesterday said: 'I go back to Washington to try again for a clear admission on the part of the Government that there is a farm problem as one of its men has already admitted. With that we will offer our economists to sit with the Government's economists to work out a solution....I am pleading for an agricultural board, whether it comes by the Dickinson bill or some other bill, that will give us a sound financial plan with which to face the world. We can not expect to go on as we are now without a national disaster. City values are continuing upward and farm values continuing downward....' He appealed to the farmers to emulate labor unionists."

NATIONAL EDUCATION ASSOCIATION

The fifty-sixth annual convention of the National Education Association, now meeting in Washington, will consider to-day, among other things, the report of the committee on resolutions, in which is included: Repetition of the department's demand for enactment of a Federal child labor law; reiteration of the demand for a Federal department of education; demand for immediate improvement in the rural school situation, which is described as the most acute current educational problem.

Dr. Julian E. Butterworth, of Cornell University, and Miss May Trumper, of Montana, were elected president and vice president, respectively, of the department of rural education, National Education Association, meeting yesterday...A resolution calling for the adoption of a minimum education act of rural teachers, to be universal throughout the country, was adopted. (Press, Feb. 25.)

Section 2

Cotton Acreage

An editorial in The Florida Times-Union for February 18 says: "Whenever there is a good crop of anything made by the farmers of the United States there follows much talk of acreage reduction. This is heard now in the South regarding cotton and efforts are being made by some interested parties to get the idea spread around. That the crop raised last year was large is admitted, and it is also well understood that the demand and price kept up fairly well, with heavy offerings. The cotton planters made some money, and conditions in the Cotton Belt are better than they have been for several years past. But the fearful are always predicting trouble ahead and self-appointed advisers are loud in their demands for decreased planting this spring. There is always some change in the methods and some acreage differently used on the farms. The planters understand very well the possibilities of seasons and attacks of the boll weevil, and they are probably going to plant as they think best, regardless of propaganda against large acreage. From authoritative sources comes the suggestion that it is too early yet to declare that there was any substantial over-production last year. The high prices that for a time prevailed, after two very short crops, can not be maintained; that is fairly well understood. But the price has not gone down below profitable production yet, and the world is taking the crop in a way to indicate steady prices to the end. This will mean good demand for the next crop, and the farmers probably will do well to plant as before, taking into account the fact that they can not expect just such another favorable season as the one past, for a long time. They are, also, not entirely protected against the insect pests that very nearly consumed a crop a few years ago."

Farmer Aid

An editorial in The Price Current-Grain Reporter for February 17 says: "We realize, as does every thoughtful person, that the farmers must individually and as a class make a good profit on their operations, and that is a statement we have repeated time and again. We can not, however, subscribe to the doctrine of some of the farm leaders to the effect that every farmer must, each year, be paid those prices for his product that will show a balance on the right side of the ledger--in other words--we are against the so-called cost-plus plan. Furthermore, we are opposed to any plan which means putting the Government into the grain, cotton, meat and lard business because we believe that any such scheme is economically unsound and because we know that it would be quite as harmful to the farmers of this country as it would to that vastly larger part of our population, the consumers. What we stand for, above everything else, is the broader and fuller education of the farmer and we do not mean to infer that in general intelligence and information, he is not the equal of any other group in our great country. By no means, but taken as a whole he does not yet appreciate the full value of proper fertilization, seed selection, diversification, crop rotation, etc., and of what these would do for him if carefully and intelligently used. Attempting to legislate a regular profit into his business or to inoculate him with the socialistic bug of merchandising his surplus in some new and untried manner will supply little incentive to growth along these lines. This paper is of course a publication for the grain and cereal trades and its editorial attitude is fair socially to all of our citizens, never for this or that trade and against the farmer. We may always be depended upon to support the long standing, tried and proven legitimate grain trade practices. The present marketing machinery is substantially perfect and until it has been demonstrated that some other group of men can in a new way perform the necessary functions to better advantage to all concerned it is our

firm conviction that the farmer will be wise to ride with company he knows something about."

Fertilizer Investigation — Charges that the large fertilizer companies doing business in the South are conspiring or effecting an agreement to fix prices, made by Representative Hare of South Carolina, are being looked into by the Federal Trade Commission, it was learned here yesterday. A representative of the commission has been to South Carolina to make a complete investigation of the situation alleged to exist there. (N.Y. Journal of Commerce, Feb. 19.)

Future Trading — An editorial in The Northwestern Miller for February 17, says: "....To prohibit trading in futures without providing anything to take the place of the present system of marketing farm crops would be destructive. Chaos would result not only in the grain and cotton trades and industries associated with them, but in banking, transportation and commerce as a whole. Something closely akin to panic would follow wreckage of the whole credit system now based on price insurance effected through future trading. It is entirely possible that an improvement on the present method of marketing farm staples may some day be devised. Undoubtedly certain elements of it are wasteful, and many of its features are open to criticism. It is merely the best system that has so far been created. Until a better way is discovered it must continue to be used, with such improvements as can from time to time be made in it. For Congress to destroy it without at the same time creating something in its place would be inconceivably stupid and disastrous."

German Potash Production — German potash production increased to 1,225,455 metric tons of pure potash in 1925, as compared with 842,060 metric tons in 1924, and 1,110,000 tons in 1913, according to consular advices received at the Department of Commerce. The increase in production is attributable to the recovery of the export trade and the growing use of potash salts by German agriculture. (N.Y.Journal of Commerce, Feb. 19.)

Mexican Agriculture — A Mexico City dispatch to the press of February 20 says: "The National Bank of Agricultural Credit and Colonization will be inaugurated February 28. This is another of President Calles' projects to develop agriculture and irrigation throughout Mexico, and especially to assist small, individual farmers to develop holdings."

Woodlot Crops — An editorial in The Philadelphia Ledger for February 18 says: "Several bills are pending in Congress which intend to establish forest experiment stations in each of the ten principal forest regions of the United States. These bills emphasize the importance of the farm woodlots as yielding the enormous quantity of timber required by the farmers, amounting to more than 40 per cent of all the lumber cut in the United States. About a third of our forest area, that is to say 150,000,000 acres, is in these farm woodlots. But the productivity of the lots, for want of intensive development such as the experiment stations will teach, has fallen far behind what it should be. The cut of hardwoods in Ohio, Indiana and Illinois from 1899 to 1923 fell off about 85 per cent. Factories in the Ohio Valley which depend on hardwoods are compelled to get them from the Southern Appalachians or the Lower Mississippi Valley.

That it would pay the farmer to raise crops of hardwood just as he would raise vegetables is shown by the fact that in forty years the value of standing timber in the central region rose from $5 per 1,000 feet to $19. Because of the distance over which of late it has been necessary to haul lumber, Ohio pays a lumber freight bill of about $19,000,000 per annum, while Illinois must pay about $32,000,000. The lumber requirements are greatly increased by the demand for newsprint. The consumption of paper in this country has doubled with each decade in the last forty years, and more than 90 per cent of the paper now made in America comes from wood. We have abundant natural resources that we are not utilizing. Whereas Europe has only thirty kinds of trees that are of commercial utility, the United States is so fortunate as to have about 500 kinds, of which about 100 are of economic consequence. Just how our timber may be used to best advantage, increased in quantity and improved in quality the forest experiment stations are planned to demonstrate."

Section 3
MARKET QUOTATIONS

Farm Products Feb. 24: Chicago hog prices closed at $13.25, bulk of sales $11.40 to $14, beef steers choice, $10.75 to $11.65, heifers, good and choice, $7 to $10.75, medium and common $5.75 to $8.85. Cows, good and choice, $6.50 to $8.65, canner and cutter $3.50 to $4.50; vealers, medium to choice $9.50 to $14, heavy calves, medium to choice, $6 to $8; stocker and feeder steers $6.50 to $9.15; fat lambs medium to choice $12.50 to $14.15; yearling wethers, medium to choice $9.25 to $12; fat ewes, common to choice, $5.50 to $9; feeding lambs, medium to choice $12.25 to $14.25.

Eastern potatoes 5 to 20¢ lower; northern stock fairly steady. New York sacked Round Whites fairly steady. New York sacked Round Whites $4 to $4.45 per 100 pounds in eastern cities; $3.85 to $4 f.o.b. Rochester. New York Baldwin apples steady in city markets at $3.50 to $4.50 per barrel but 25¢ lower at western New York loading points at $3.25 f.o.b. Midwestern yellow onions slightly weaker ranging $2.50 to $2.90 sacked per 100 pounds in consuming centers; very few sales at $2.25 f.o.b. Western Michigan. Cabbage generally firm. New York Danish type $60 to $70 bulk per ton in distributing centers; $55 to $60 f.o.b. Rochester. Texas new cabbage $4.25 to $4.50 per barrel crate in Chicago; $3 f.o.b. Brownsville. Florida pointed type $2.50 to $3.25 per 1 1/2 bushel hamper in the East.

Grain prices quoted February 24: No.1 dark northern Minneapolis $1.63 to $1.77. No.2 red winter St.Louis $1.83; Kansas City $1.77. No.2 hard winter St.Louis $1.75; Kansas City $1.70 to $1.76. No.3 mixed corn Minneapolis 64 to 66¢; Kansas City 67 3/4¢. No.4 mixed corn Chicago 67¢. No.3 yellow corn Minneapolis 68 to 72¢; St.Louis 70 1/2¢; Kansas City 68 3/4¢. No.3 white corn St.Louis 72¢; Kansas City 68 1/2¢. No.3 white oats Chicago 41¢; Minneapolis 37¢; St.Louis 42 1/2¢; Kansas City 40 1/2¢.

Closing prices on 92 score butter: New York 45¢; Chicago 43¢; Philadelphia 46¢; Boston 45¢.

Middling spot cotton in 10 designated spot markets declined 31 points, closing at 19.17¢ per lb. New York March future contracts declined 24 points, closing at 19.85¢. (Prepared by the Bu. of Agr. Econ.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XX, No. 47 Section 1 February 26, 1926.

THE TAX BILL

President Coolidge to-day will sign the revenue act of 1926, putting into effect tax reductions aggregating $387,000,000. This bill was approved by the Treasury Department yesterday and was returned to the President, who decided to sign it this morning. Inspection by the Treasury was purely formal, the reductions and schedules for the most part having carried administration sanction, although the total reduction in revenue exceeded the amount Secretary Mellon regarded as wholly safe. The Philadelphia Ledger today says: "The Secretary of the Treasury again warned Congress yesterday against an appropriation program that will result in a Federal deficit. The leeway provided by the tax bill was so slight, Mr. Mellon indicated, that budget figures will have to be adhered to strictly unless the Government is to find itself in financial difficulty. Mr. Mellon takes the same position as President Coolidge a week ago when Congress was informed it would be forced to abandon many pet legislative projects which carry substantial appropriations not included in the budget. The recent utterances of the President and Mr. Mellon have been taken to mean that the size of the tax reduction provided in the new bill will be used effectively by the administration to forestall farm relief legislation, which calls for a huge revolving fund of $200,000,000, and other measures requiring a heavy outlay of Federal funds. Treasury officials are expecting little difficulty in carrying out the bill's provisions so the reductions will be applicable to collection March 15. Secretary Mellon said the retroactive features of the estate tax levies would not embarrass the Treasury....."

TAX BILL AND STOCK MARKET

Paul W. Garrett, writing from New York to the press to-day says: "In the conspicuous failure of the stock market to rally this week on news of the adoption of a measure destined to cut $387,811,000 from our tax bills is a lesson for the novice and for the most hardened market operator. Newcomers in the market constantly are having to learn through unpleasant experience that formal announcement of events foreseen by insiders do not affect prices. Obviously, the new tax measure is a bullish point on business, but its consummation has left the stock market cold, apparently indifferent. The point is that lower taxes were discounted in the great bull market that started after the Coolidge election, so that in passing the bill Congress now has only done what the financial community had expected it to do. The surprise would have come had Congress failed to act."

GRAIN FUTURES TRADING

Trading in grain futures would be limited to 1,000,000 bushels daily for a single operator under an amendment to the Futures Trading Act introduced in the Senate yesterday by Senator Capper.

GOVERNMENT PENSIONS

The Washington Post to-day says: "Proposed legislation for the liberalization of the Government employees' retirement act is being endangered by the length of time it is taking the Government actuaries to prepare cost statements, it was learned yesterday....."

Section 2

Auto Buying by Farmers "Farmers are just beginning to buy cars," says Edward S. Jordan, president of Jordan Motor Car Co. "When money from the next crop comes in farmers will be back in the market in earnest. As approximately 95 per cent of farmer-owned cars fall in the medium-priced field, this will mean a big increase in sales of new cars under $2,000." (Wall Street Jour., Feb. 24.)

Delinted Cotton Seed The Wall Street Journal for February 19 says: "It has been found that by 'delinting' cotton seed germination is quicker and more certain, assuring a full stand under unfavorable climatic conditions. So important, and even vital, is the matter that the Georgia Bankers' Association is waging a campaign for delinting seed before planting....The Delta and Pine Land plantation at Scott, Miss., raised 18,000 acres of cotton last year, and every seed planted was delinted. The average yield of cotton for the whole of the United States since 1914 has been about 150 pounds to the acre; the Delta plantation, located in a region of heavy rainfall and many weevils, last year averaged 500 pounds per acre on its entire area. Moreover, long-staple cotton does not yield as heavily as the short staple. Yet this plantation produced long staple averaging one and one-eighth inches."

Farmer's Dollar An editorial in The Washington Post for February 23 says:"...What caused the rise in the purchasing power of the farmer's dollar between 1913 and 1920? What caused the rise in prices and cost of living? First, increased demand due to the war from 1914 and after; second and more effectively, the large increase in the volume of paper or credit money. Those who undertake to prejudice the farmers against the policies pursued subsequent to 1922 utterly ignore economic and financial principles, namely, that inflation of the paper or credit money of a country invariably brings about a rise in prices....Why has the purchasing power of the farmer's dollar declined since 1918 and 1919? Because the volume of paper or credit money (largely Federal Reserve notes) has declined. In 1921 the volume of such money was $3,405,000,000; in 1924 it was $2,339,000,000. On February 18 the volume of such notes was a little over $2,000,000,000. The increase in the volume of money since 1920 has been due almost wholly to the increase in gold bullion or coin, which does not inflate money. Those who try to make political capital out of an economic situation call this decline in paper or credit money 'deflation,' and assert that prices of farm products will rise again and the purchasing power of the farmer's dollar be restored, if more paper money is manufactured and circulated. The volume of paper or credit money is regulated, not by an arbitrary whim or fiat, but by the demands of business. The safe and sane policy of bringing the volume of paper or credit money down to the demands of business is rapidly and normally adjusting the level of agricultural products to industrial products; in other words, it is restoring the normal purchasing power of the farmer's dollar. This process will cure, if the farmers do not force foolish and unwise legislation."

Lumber Merger An Associated Press dispatch from New York February 26 says: "The wave of consolidations has touched the lumber business. Twenty-five lumber firms, with a capitalization of approximately $40,000,000 have agreed upon plans to join forces, it was announced yesterday....The names of the firms involved were not made known. They include mills, retail firms and producers."

Mexican Agriculture "The effect of nearly a decade of political and social disturbance in Mexico is reflected in a lowered agricultural productivity amounting on the average to slightly over 17 per cent. There has been in the past a general inclination to measure the financial, industrial, and commercial situation of Mexico largely on the basis of its mineral and oil output and to disregard the fundamental factor of crop production--more especially that of food crops. Mexican minerals, oil, and to an appreciable extent its commercial crop production, is mainly owned and operated by foreign interests--British, American, Spanish, and German. However, the rural industry which centers about the production of the essential food crops is native and indexes more directly the inherent social and economic conditions of the country. That the attention of the Mexican Government is increasingly focused upon indigenous agriculture is evidenced by the number and ambitious extent of certain plans, notably those for farm schools, rural credits, and the distribution of agricultural implements." (Commerce Reports, Feb. 22.)

Polish Wheat Export Duty A prohibitive export duty of 15 zlotys per 100 kilos has been placed on shipments of wheat from Poland as a means of preventing the exhaustion of the domestic wheat supplies of that country, according to cabled dispatches received at the Department of Commerce. (Jour. of Commerce, Feb. 19.)

Railroad Labor Bill Officials of the American Farm Bureau Federation and the National Grange, recently in session in Washington, have announced their purpose of working against passage of the administration railroad labor dispute bill unless it is amended to more adequately protect the public. These two organizations represent 2,000,000 farmers, and the officers define their position as one of resentment at what they consider efforts to prevent them as interested parties being represented in agreements between railroad labor organizations and railroad managements which, they say, would result "in increased rates instead of decreased rates." (Press, Feb. 23.)

Rubber Bankruptcies An editorial in The Baltimore Sun for February 25 says: "Yesterday's news from London that an important firm dealing in rubber had failed need surprise no one. Distress among some of those who have been heavily bulling the rubber game has been almost inevitable. And that has been due to economic causes, not merely to the effects of agitation against the high prices. It was shown in the investigations on this side that rubber prices had been greatly inflated by speculation. What is sent up by speculation usually comes down. The fair price for rubber has been high, even with the larger releases of crude rubber that have been permitted under the Stevenson scheme; but the fair price has been distinctly under the prices which have prevailed until lately. Those who stuck too long to the artificial levels were bound to be hurled to earth when normal values began to be asserted. The interesting question for the average man to-day is this: How long will it take the rubber manufacturers and the tire dealers to learn that basic rubber prices are off? Very strong evidence was adduced during the Congressional investigation to prove that when the crude rubber prices were skyrocketing there was little excuse for all the advancing prices paid by the consumer. It was stated in a convincing way that rubber manufacturers had bought their supplies at average prices during 1925 that were markedly under the current prices in the latter part of the year, but the current prices became fixed in the public's mind as the excuse for the toll levied on the consumer. Now that crude rubber prices are slumping heavily, it certainly is in order for the consumer to feel practical results."

South American Farming "Among the passengers arriving on Grace liner Santa Elisa was E.J.Gittins, vice president, J. I. Case Threshing Machinery Co. Mr.Gittins returned from a three months' trip to South America, having visited especially all the agricultural sections in Argentina and Chile. He said exports to South America of modern agricultural machinery were bound to increase greatly in the future, the American products being especially well adapted to the requirements of the South American agriculturists. Mr. Gittins said farmers were taking a big interest in tractors and that almost nothing but American threshing machines, and in fact all kinds of American farm machinery, were to be seen. He continued: 'I was especially pleased by the outlook in Chile. It is a wonderful country and conditions are right there for improved agricultural production. I had thought Chile's agricultural section was made up of farmers. With the use of modern farm machinery, I have not the least doubt Chile can multiply her production of agricultural products many fold.'" (Wall St.Jour., Feb. 25.)

"Subsidizing" Farming An editorial in The Wall Street Journal for February 24 says: "It is interesting and encouraging to find a newspaper like the Southwest Plainsman of Dallas, Texas, pointing out to the farmers and cattlemen who read it that there is little of a really useful nature in the gift of Congress, and that the farmer would be better off, with a clearer understanding of where he stands, if most of the agencies for farm relief were forthwith repealed. This is the kind of talk the farmer needs. He complains that Wall Street is better informed about his affairs than he is himself, but it is gratifying to note that conscientious newspapers of the character cited reprint editorials from The Wall Street Journal. Suppose Congress, with a considerable fund of unnecessary taxes on its hands, decided to subsidize farming? What would be the inevitable result? It would put into the farming business a large number of people who were totally unfitted for anything of the kind, exactly as the guarantee of bank deposits put a premium upon wildcat banking. The last state of the farmer, the real farmer, would be worse than the first. In practice he would be up against subsidized competition. The subsidy would hurt more people than it helped, and the people hurt would be drawn from the most deserving and useful class. It is a weakness of popular government, where the public will can be quickly reflected in the making of laws, that the powers of government are widely exaggerated....Farmers who can stand on their own feet command the affectionate confidence and sympathy of all of us, and it is good that their own newspapers should be helping them to do so."

Section 3

Department of Agriculture An editorial in The Washington Post for February 23 says: "A Senate resolution requests the Secretary of Agriculture to 'publish a comprehensive report of the administration of the Packers and Stockyards Act of August 15, 1921, during the last two years.'...According to the reports of the Secretary of Agriculture for the last two years, the act has been enforced strictly, and there has developed in the selling and handling of livestock a noticeably greater feeling of security and freedom of action against imposition and unfair practices, which has done much to accomplish the purposes of the law. Through the efforts of the administration, all livestock consigned for sale is now placed on the open market, which was not always the case at all markets previous to the passage of the act. Such practices as weighing-up, string sales, boycotting and rebating have been stopped in many instances. The way has

been opened for farmers' cooperative selling agencies to operate in the terminal markets, not by favoritism, but by enforcing the open market principle. The number of cooperative commission companies has increased considerably since the passage of the act. The act was amended, permitting and directing the filing of bonds of all market agencies and dealers, thus protecting the sellers and securing payments. Satisfactory progress has been made in the installation of methods of weighing for the protection of the sellers of livestock. At the close of the last fiscal year there were 76 public stockyards, approximately 1,200 market agencies, more than 4,000 dealers and approximately 850 packers subject to the law. Obviously the administration of the Packers and Stockyards Act has been beneficial to the growers of cattle and the producers of meat and dairy products, as well as to the public."

Section 4

MARKET QUOTATIONS

Farm Products Feb. 25: New York Baldwin apples $3.50 to $4 per barrel in eastern cities; $3.25 f.o.b. Rochester. New York sacked Round White potatoes $4 to $4.45 per 100 pounds in eastern terminal markets; $3.85 to $3.90 f.o.b. Rochester. New York Danish type cabbage closed at a range of $50 to $75 bulk per ton in the East and $55 to $60 f.o.b. Rochester. Florida pointed type $2.50 to $3.25 per 1 1/2 bushel hamper. New York and midwestern yellow varieties of onions mostly $2.50 to $2.75 sacked per 100 pounds in consuming centers; $2.10 to $2.40 f.o.b.

Chicago hog prices closed at $13.10 for the top; bulk $11.40 to $12.75. Beef steers choice $10.85 to $11.65; good $9.75 to $11.25; medium $8.85 to $10.25, common $7.75 to $9; heifers, good and choice, $6.85 to $10.75; cows, good and choice, $6.50 to $8.25; canner and cutter $3.50 to $4.50; vealers, medium to choice, $10 to $14; heavy calves, medium to choice $6 to $8; stocker and feeder steers, common to choice $6.50 to $9.25; fat lambs medium to choice $12.50 to $14; yearling wethers, medium to choice, $9.25 to $12; fat ewes, common to choice $5.50 to $9; feeding lambs medium to choice $12.25 to $14.25.

Closing prices on 92 score butter: New York 45¢; Chicago 43 1/2¢; Philadelphia 46¢; Boston 45 1/2¢.

Grain prices quoted February 25: No.1 dark northern Minneapolis $1.61 to $1.75. No.2 red winter St. Louis $1.80. No.2 hard winter Chicago $1.76; St.Louis $1.75. No.3 mixed corn Minneapolis 63 to 65¢; No.4 mixed corn Chicago 62 1/2 to 65 1/2¢. No.3 yellow corn Minneapolis 67 to 71¢; St. Louis 73¢; No.3 white corn St. Louis 72¢. No.3 white oats Chicago 40 3/4¢; Minneapolis 37¢; St. Louis 42 1/4¢.

Middling spot cotton in 10 designated spot markets declined 29 points, closing at 18.88¢ per lb. New York March future contracts declined 27 points, closing at 19.58¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Feb. 25,	Feb. 24,	Feb. 25, 1925
	20 Industrials	156.54	158.55	122.15
	20 R.R. stocks	109.23	109.91	100.30

(Wall St. Jour., Feb. 26.)

DAILY DIGEST

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Vol. XX, No. 48 Section 1 February 27, 1926.

THE TAX BILL

President Coolidge yesterday signed the new revenue bill, making effective the most far-reaching tax reduction since the war. The reductions under the new law approximate $387,811,000, and the estimated revenue yield is $2,300,000,000. The total reductions made by tax laws of 1924 and 1926 combined amount to $700,000,000, or a saving to the taxpayers of about $2,000,000 a day. In detailing these facts President Coolidge warned Congress that it must follow a policy of rigid economy to avert a possible $100,000,000 deficit in 1927. He also indicated that the present relief to the taxpayers had gone so far as to preclude another reduction for some years, and that certainly none could be made in 1928. (Press, Feb. 27.)

BUTTER TARIFF REPORT

Considering for two years whether the duty on butter should be increased, the Tariff Commission submitted a report yesterday to President Coolidge. Its recommendation was not disclosed. The present rate is 8 cents a pound. Under the law, the President can increase or decrease this levy 50 per cent. An increase has been requested by American dairymen, who, when the Tariff Commission began its investigation, protested particularly against importations from Denmark. Later, competition from Canada became more severe, and this factor caused the commission to reopen its inquiry after it had begun preparing a report some time ago. (Press, Feb. 27.)

FORESTRY LEGISLATION

The House agricultural committee yesterday approved the McNary--Woodruff bill to authorize the Government to acquire additional forests. (Press, Feb. 27.)

COTTON EXCHANGE CLOSES

The New York Times to-day states that the Federal Cotton Exchange, one of a number of organizations that have been formed in New York to solicit ten-bale trading in cotton futures, has closed its doors. Its closing followed declines in the cotton market and inquiries by the Post Office Department as to the methods of conducting business. The report states that the disappearance of the Federal Cotton Exchange leaves New York with only one organization known to solicit odd-lot cotton trading. The Southern Cotton Exchange, another such organization, closed last February after investigation by the Post Office Department.

EXPORT TRADE CRISIS

The economic rehabilitation of Europe involves matters of importance to American commerce, especially since the foreign competitors of the United States have launched a militant drive to gain ascendency in the world markets, according to Dr.Julius Klein, Director of Foreign and Domestic Commerce of the Department of Commerce. Testifying before the House committee on appropriations, Doctor Klein said that the export trade of this country faces a serious crisis which requires the continuance of an aggressive policy in foreign markets. (Press, Feb. 27.)

Section 2

Agricultural Courses

A study of the development of short courses in agriculture in the land grant colleges at this time presents peculiar difficulties. The work of rehabilitation carried on by the Federal Board for Vocational Education and later by the Veterans' Bureau has affected the number, character and attendance in these courses. There may, out of this experience in the rehabilitation of those World War veterans, be developed in the several States a program for rehabilitation of men and women injured in industry, in the opinion of John Phelan, Director of Short Courses in Massachusetts Agricultural College and printed in a recent pamphlet of the Department of the Interior. "Short courses have been affected by the World War conditions in other ways, both favorably and unfavorably," says Mr. Phelan. "Some students who served a year or two in the military or naval forces of the United States may have felt that they were too old to undertake a four-year college course of study and decided instead upon one of the shorter courses. On the other hand, general industrial conditions that have prevailed since the war have tended to reduce attendance. Whereas the price of farm products has returned to pre-war level, the wage paid urban labor is high. The result has been that many who would have entered agricultural schools and colleges for short or long courses have gone into industry. It is impossible to measure fully the effects of these conditions on short-course work. Therefore, the history of the past five years can not be taken as an indication either of the demand, the service or the policy of administration of these courses...."

British Agricultural Policy

An editorial in The Field (London) for February 11 says: "Farmers were glad to see last week a definite statement of the Government's ideas and intentions concerning the industry. There is much disappointment in some quarters that no special assistance is to be given to the arable farmer, but the Government's program is generally welcomed as clearing away the cloud of uncertainty which has hung over the industry during the years since the war. Landowners, farmers, and laborers now know where they stand. There is to be no further question of assisting arable farming on national grounds, and the farmer is now bidden to throw his whole heart and energy into the production of meat and milk to meet the market's demands, even if this course involves laying down more land to grass.... Agriculture is to be left to adapt itself to the economic situation, but the Government proposes to help the development of the industry in certain directions. In the forefront of the Government's proposals has been placed the pressing matter of credit. It is hoped that by bringing the general credit machinery more into line with the needs of the industry, it will be possible to provide farmers with loans for effecting permanent improvements on their holdings, to develop occupying ownership--to which the Government attaches great importance--and to supply working capital where there is a serious shortage. There can be no disputing that the industry is suffering from lack of capital at the present time, but the remedy will have to be applied with great caution. Credit can be given freely, and a loan upon which charges have to be paid has sometimes proved more of a millstone round a farmer's neck than a life preserver. The Government believes that the production of food and the employment of labor can be increased by the development of smallholdings. Opportunities are to be given through the county councils for the extension of facilities, and the agricultural laborer is to be specially assisted to acquire as his own property a cottage and a small piece of land which he and his family

can cultivate as an addition to his wages. There seems no good reason why a smallholdings scheme should not be successfully started at the present time. The post-war schemes for the settlement of ex-service men have, as was expected, resulted in heavy financial losses, but the pre-war smallholders seem to be firmly established on an economic basis. The Government purposes to continue an active policy of afforestation, and it proposes to develop forest workers' holdings at the rate of five holdings per 1,000 acres of afforestable land. It is anticipated that these holdings, the occupiers of which are guaranteed 150 days' work per annum on the State forest, will make a useful permanent addition to the rural population, especially in some of the poorer grazing districts.....The Government proposes to continue and develop the comprehensive scheme of agricultural education and research; proper housing accommodation is recognized as essential to the welfare of agriculture, and steps are being taken to facilitate the reconditioning of existing cottages as well as to provide for the erection of new houses; more money is to be available from the Road Fund for the improvement of our classified rural roads, and this will help to lighten the burden of local rates; the farmer will also benefit in this respect from the decision of Parliament that farm-buildings shall have the same relief from local rates as agricultural land; the Government intends to pursue the policy of eradicating foot and mouth disease in spite of the heavy cost in recent years, in the belief that this is the most economical course, until such time as scientists have discovered the basis of a less destructive and expensive policy; finally the Government promises to continue to foster the development of the sugar beet industry...."

Farm Implement Industry

An editorial in The Country Gentleman for March says: "A year ago the farm-implement manufacturers were merely hopeful; to-day they are optimistic. A forty per cent increase in business last year over the year preceding, largely in new-model machines, has opened their eyes to the new requirements of agriculture and the needs of the future. High wages, a shortage of farm help, and relatively low prices for farm produce are compelling farmers to seek better tool equipment and better methods of performing their work. The changes in the harvesting of small grains indicate the trend of the times. Several years ago farmers began to discard the big itinerant thresher; now they are discarding self-binders and replacing them with small combines, which cut expensive handlings, excessive labor costs and losses through shattering. Even in the humid regions where such machines were thought impossible of successful operation, farmers are buying them in quantities. In 1923 the total sale of combines was 4,500; this year, according to advance estimates of production, sales will reach 12,000. The same need for cutting costs of production is responsible for the recent phenomenal sale of tractors, for the growing demand for two, four and six row planters and cultivators, and for the elimination of the runt horse. The agriculture that is growing up out of the wreck of 1920 and 1921 must have better tools and cheap, efficient power....Finally, in sheer desperation a few manufacturers began to offer improved implements. They were snapped up at once and then the truth dawned. The buyers' strike was not a strike at all; it was merely an expression of dissatisfaction with the standardized antiquated implements. Since then progress has been rapid in the implement industry. In the cotton fields of Texas new machinery and improved methods have cut costs of production to seven dollars an acre. Costs of growing and delivering

wheat to market have been materially reduced, and progress has been made in cheapening the growing and harvesting of the corn crop. But there is still a long road to travel before agriculture will be completely modernized. It is still filled with antiquated methods that have been handed down from the Stone Age--methods and customs so sanctified by usage that they are generally accepted without question. But here and there experimenters are beginning to put them to the test--such men as Arthur J. Mason, of Illinois, and Tom D. Campbell, of Montana, who start with the assumption that everything is capable of improvement....We may yet see a new and efficient agriculture built upon the overturned foundations of outworn methods."

Farms in District

The Washington Post of February 26 reports: "There are still some farms in the District of Columbia, 81 of them, to be specific. This is revealed in a survey just completed by the Department of Commerce. In 1920 the number of farms here was 100. The farm population in the District is given as 682, as compared with 894 six years ago. Thirty-six of the farms have radios. The chicken population on the 81 farms totals 16,492, an increase of more than 5,000 over 1920."

Franco-American Trade

Detailed official figures for the year 1925 of France's export and import trade, as received by the Bankers Trust Company of New York from its French information service, show that the United States led all other countries in the value of its imports into France. The official figures show that goods valued at 6,382,900,000 francs came from the United States, an increase of 631,993,000 francs over the value of imports of the preceding year. Great Britain retains the second place she occupied in the preceding year with 5,893,338,000 francs as against 4,876,398,000 francs in 1924, while Belgium and Luxemburg come third with 3,082,349,000 francs and Germany fourth with 2,372,593,000 francs against 2,663,444,000 francs and 2,017,183,000 francs respectively. On the side of exports from France, Great Britain heads the list with 8,957,374,000 francs, followed by Belgium and Luxemburg with 7,596,479,000 francs and Germany third with 3,754,152,000 francs. The United States comes fourth. The figure for the United States is 3,058,132,000 francs, showing a decrease of 83,868,000 francs.

Milk Production in Florida

An editorial in The Florida Times-Union for February 24 says: "Practically all the people in Florida have been, and are, so busy with a great number of things that require attention that they are quite overlooking or neglecting, a very great source of wealth that is in this State--that has in it enormous money value as well as health and strength. It is milk production. Craddock Goins, now resident in Wisconsin, but a native of the South, writing in the February number of the Farm and Live Stock Record, published in Jacksonville, tells very interestingly and practically 'How Florida Can Turn Waste Into Wealth.' He begins by saying: 'Florida's greatest horsepower must come from cowpower;' that in this State 'is a wonderful opportunity to turn waste into wealth.' Mr.Goins is not writing figuratively. He knows what he is talking about. He is in the greatest and most successful dairying State in the Union, where cows are making fortunes, supplying even Florida with great quantities of milk, and other dairy products, shipped into a State with natural dairying advantages second to no other in the country. Mr. Goins says: 'The industry best suited to Florida's climate and general conditions happens to be an industry offering more toward the prosperity and general welfare of the State than any other--the industry of dairying activities.' Quite a

number of people in Florida sincerely believe what Mr. Goins says, as above quoted. They are men and women who are proving the truth of what the writer says. They are engaged in dairying. But their number is not nearly so large as it ought to be....."

Pulp and Paper Research A New York dispatch to the press of February 26 states that the American Paper and Pulp Association, in annual convention, February 25 adopted a resolution authorizing plans for carrying out technical research on engineering and forestry questions of interest to the entire industry. Another resolution authorized the establishment of a technical committee to study plans for the elimination of waste, stream pollution and to cooperate with Federal and State organizations for the elimination of paper mill waste. A third resolution protested against the inclusion of resin in the Haugen marketing bill now before Congress, in which resin is considered a farm product. The paper men assert that it is used in the finishing process of finer grades of paper and therefore should not be considered in the same class as milk, vegetables and other farm products.

Section 3
MARKET QUOTATIONS

Farm Products Feb. 26: New York sacked Round White potatoes $4 to $4.35 per 100 pounds in eastern markets; mostly $3.85 f.o.b. Rochester. Northern stock $3.60 to $3.75 carlot sales in Chicago; $3.45 to $3.65 f.o.b. Delaware and Maryland yellow sweet potatoes 5¢ to 10¢ lower in Philadelphia and Baltimore at $2.25 to $2.40 per bushel hamper. New York Danish type cabbage irregular at $50 to $65 bulk per ton in eastern cities; $55 to $60 f.o.b. Rochester. New York Baldwin apples ranged slightly lower at $3.50 to $4.25 per barrel in city markets; $3.25 f.o.b. Rochester.

Chicago hog prices closed at $13.75 for the top, bulk $11.50 to $13. Beef steers choice $10.85 to $11.65; heifers, good and choice $7 to $10.75; cows, good and choice, $6.50 to $8.25; canner and cutter $3.50 to $4.65; vealers, medium to choice $10 to $14; heavy calves, medium to choice $6 to $8; stocker and feeder steers, common to choice $6.50 to $9.25; fat lambs medium to choice $12.50 to $14.40; yearling wethers, medium to choice, $9.25 to $12; fat ewes, common to choice, $5.50 to $9; feeding lambs, medium to choice, $12.25 to $14.25.

Grain prices quoted February 26: No.1 dark northern Minneapolis $1.59 to $1.73. No.2 red winter St.Louis $1.76 1/2; Kansas City $1.70 1/2. No.2 hard winter Chicago $1.71; St.Louis $1.69; Kansas City $1.63 1/2. No.3 mixed corn Minneapolis 63 1/2 to 65 1/2¢; St.Louis 67 1/2 to 69¢; Kansas City 68 3/4¢; No.4 mixed corn Chicago 66¢. No.3 yellow corn Minneapolis 67 1/2 to 71 1/2¢; Kansas City 69 1/2¢. No.3 white corn St. Louis 71¢; Kansas City 69 1/4¢; No.3 white oats Chicago 40 3/4¢; Minneapolis 37¢; St. Louis 41 3/4¢; Kansas City 41¢.

Closing prices on 92 score butter: New York 45¢; Chicago 43 1/2¢; Philadelphia 45 1/2¢; Boston 45 1/2¢.

Middling spot cotton in 10 designated spot markets declined 22 points, closing at 18.67¢ per lb. New York March future contracts declined 17 points, closing at 19.41¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Feb. 26,	Feb. 25,	Feb. 26, 1925
20 Industrials	154.68	156.54	122.86
20 R.R. stocks	107.68	109.23	100.86

(Wall St. Jour., Feb. 27.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XX, No. 49 Section 1 March 1, 1926

AGRICULTURE SUPPLY BILL The Senate February 27 passed the annual Department of Agriculture appropriation bill, carrying $129,370,468. The measure now goes to conference. All the amendments made by the Senate committee to the House draft were approved. The most important was that increasing by $1,900,000 the House total of $4,100,000 for the eradication of tuberculosis among cattle. (Press, Feb. 28.)

FARM LEGISLATION An editorial in The Washington Post to-day says: "Representatives of several farm organizations from the Middle West, especially the Corn Belt States, will meet in Washington this week, to discuss farm legislation in the present session of Congress. From all reports, these delegates will appear on the scene determined to force relief legislation of some sort. At the outset it should be borne in mind that this is not a sectional but a national problem; not a political but an economic problem. Furthermore, it should be borne in mind that the great bulk of legislation by Congress never has been or can be purely local or sectional; it is national, applying the same principles to all sections alike....This is no time to recall old, false and uneconomic theories. There are some things Congress can not do; and one of them is to repeal the laws of nature and economics. Experience has demonstrated that every violation of one of these laws brings trouble and retribution; and results in conditions far worse than those sought to be cured. Every proposed remedy for the existing situation in the Middle West must be submitted to the test of experience and reason."

"HEN DAY" PROPOSED An Associated Press dispatch from Providence, R.I., to-day says: "Poultry producers and allied industries throughout the United States are asked, in a proclamation issued by the National Poultry Council, to 'unite in a national program to pay homage to the American hen.' The day will be observed in the various States as State committees see fit. The program will stress the egg's 'great distinction, peculiar merit and usefulness in the diet of our people.' The value of the American hen's product is estimated to be approximately a billion and a quarter dollars yearly."

PUBLIC BUILDINGS TO PROCEED The Washington Post February 28 says: "President Coolidge's expressed fears that the new tax law may result in a $100,000,000 deficit at the end of the next fiscal year are not intended to interfere with the $165,000,000 public buildings bill carrying $50,000,000 for the District, Senator Smoot, of Utah, said February 27.....The local building situation, already reported as acute by the public buildings commission, headed by Senator Smoot, has suffered another breach with a demand on the Department of Agriculture that it vacate the Bieber Building on B street southwest, between Thirteenth and Fourteenth....."

Section 2

British Farm Finance

An editorial in Country Life (London) for February 13 says: "The proposals of the Government regarding agricultural credit have now been made public. They deal mainly,--as was bound to be the case--with the provision of additional facilities for (1) Tenants whose farms are for sale, and who are, consequently, forced either to buy or to quit. (2) Small-holders and laborers who wish to buy or hire land, or more land. (3) Cultivators who wish to obtain cash advances to finance their growing crops or stock and have no other security to offer. Measures allowing for long-term credit to deal with the first two of these points are, in our view, of exceptional importance, since they provide an answer to the only two justifiable charges that have been brought against the present system of land tenure. Great Britain is almost alone among the nations in having no standard machinery of long-term agricultural credit. Farmers, in the past, have been greatly handicapped by being obliged to obtain mortgages on their farms from solicitors, banks and others under conditions of uncertainty as to period. The Government now proposes to apply the principle of the mortgage credit institutions in Germany, or of the Federal land banks in America, and to establish a central land bank. Its advantages appear to be considerable. It would establish a uniform standard system of mortgage, and would create a standard agricultural investment....The third point--of advances against growing crops--implies, of course, the provision of short-term credit, and here the Government's proposals will, doubtless, give rise to the usual divergence of views. There are farmers of experience who say that they would have done better with less money, since they would then have been unable to hold their produce for rises in price which all often never occurred....There are others, of equal experience, who talk of immature cattle rushed to the butcher, of corn thrown on the market immediately after harvest, of wool offered at a time of glut, of hay and straw sold off, with consequent under-stocking--all because of temporary shortage of cash. Then there are the bankers, who affirm that no honest farmer of sound reputation is ever refused reasonable assistance.....Again, there are economists who say that while credit is legitimate for financing production, it is illegitimate for financing farmers during a period of falling prices....These fears are all based on true observation and experience, but they relate to the misuse, and not to the use, of credit facilities. The bankers' contention that sufficient facilities already exist is, at first sight, much more convincing, and certainly the joint-stock banks have stood by agriculture during the last four years, and have treated the farmer with as much consideration and elasticity as their restrictions permitted. But--and here is the difficulty--very few farmers go to the bank at all. They go, instead, to the corn merchant--occasionally the cattle dealer--and buy on credit. By this method they get just the amount required to carry them on. Since the rate charged for the accommodation is usually concealed in the price of the goods bought, or in the price given for subsequent purchases from the borrower, there is no obvious expense attached to this method of borrowing. Moreover, it is private. If we may hazard a guess, we should say that at least one quarter of the country's crops and livestock is financed for part of the year in this way. If our guess is correct, this involves an immense sum of money, and it is, we think, obvious that some such steps as the Ministry of Agriculture propose should be taken to encourage this business to be taken to the banks....."

Cattle Duty and Canada An editorial in The Nor'West Farmer (Winnipeg) for February 20 says "There is little or no prospect of the United States lowering or removing the duty on cattle. However much the Middle West feeder desires our cattle, he is in no position to bring pressure worth mentioning on the powers that make up American tariff schedules, while those favoring retaining the duty, the cattle producers of the Far West, are well organized and have means of making their influence felt in right quarters. Possibly some day the United States Government may change its mind about the duty on cattle, but for the present there is no prospect of anything being done. Canadians, therefore, may as well make what they can of the situation, just as they have done for the past few years. Producing more of the right kind of cattle for the Overseas trade is about the only way to meet the situation."

Corn and Hogs An editorial in The Wall Street Journal for February 27 says: "Why should a farmer sell his corn at 55 cents a bushel when he can get $1.40 by feeding it to hogs? This is a question asked in a letter by the Savings Bank of Kewanee, Illinois. The question is pertinent. Possibly the farmer could not get an average of $1.40 by feeding his corn to hogs, but he surely can double the present price. According to official statistics, corn a year ago had a unit purchasing power of 117% of the prewar level, and hogs 71%. Now the index is 69 for corn and 91 for hogs. This great spread between corn and corn-fed pork, which is most intelligently discussed in the printed letter of the bank referred to, should command the serious attention of all farmers. None of them can disagree with the conclusions, but some of them, answering the question why, might point out that they were in the same position as the old-timer who said that once he could have bought the present site of Chicago for a pair of boots. The bank recognizes this fact, and points out that there are not enough hogs to consume the corn. This is a result of a peculiarity of farm psychology. Farmers base their plans for production in any year on the recollection of what they received in the previous year. This accounts for the fact that hog production moves gradually up and down in cycles of from four to five years. We are now near the bottom of the downward production cycle. On January 1, 1926, there were 4,500,000 less hogs than in 1925, 15,000,000 less than in 1924 and 17,000,000 less than in 1923....The bank advises raising more pigs. 'Keep the corn on the farm, if necessary, until next summer and autumn, and raise more pigs.' This is plain horse sense. Corn is not and never will be an export commodity. In one year Iowa alone can fill the export demand for the next quarter century. Corn should be consumed where it is raised. Whether or not the hog cycle will turn now or a year later is a debatable question. Many believe that the underproduction can not be made up for another year. But it is certain corn fed now to hogs should return 100% profit. We also know that the early autumn prices average better than those later in the season. The advice of the bank to raise more pigs should be followed by the Corn Belt farmers; it would be well for them also to hurry their development, in order to secure the largest possible price for their corn, converted into corn-fed pork."

Flour Milling Statistics An editorial in The Northwestern Miller for February 24 says: "From a carefully compiled analysis of available census data covering flour mill activity for the past two and a half years, Sydney Anderson, president of the Millers' National Federation, reaches the conclusion that consumptive and export requirements for the current half year will enable flour mills to operate at but about forty-five per cent of their capacity. He cites the figures to emphasize the obvious fact that basing costs on

full-time production will inevitably lead to losses by millers. The same data employed by Mr. Anderson may be used to reach another conclusion of equal interest to the industry. Census production figures, as compiled and published monthly for the past two and a half years, are made up from returns by mills representing about eighty-five per cent of all mills grinding five thousand or more barrels of flour per year. Taking into account others of this size which do not report, and allowing for the production of the large number of smaller mills, the census monthly totals are believed to represent approximately eighty-one per cent of the whole output....If the 1925-26 crop year is considered in connection with this apparently expanded domestic consumption, the home requirements must be raised to nearly one hundred and twenty million barrels. Granting a further sharp loss in exports, and reckoning the total for the half year at but three and a half million barrels, it is indicated that the total grind for the crop year to July 1 must be nearly one hundred and twenty-nine million barrels--approximately the same as the two previous years. The particular interest in this analysis lies in its suggestion that the very large loss in foreign trade is being regularly compensated in increased domestic consumption. If this is true, and the computation appears sound so far as the available data permit, it disputes the assumption that there is a current per capita decrease in the domestic consumption of flour. The increase apparently is even greater than the growth in population, suggesting that the per capita factor is, at least, constant...."

Japan Flour Duty — A Tokio dispatch to the press of February 27 states that the Japanese Cabinet has agreed to maintain the tariff duties provided by the Government bill now before the House with the exception of the duties on wheat and wheat flour, on which it is understood a slight increase probably will be granted as no opposition compromise.

Production — The Federal Reserve Board's index of production in selected basic industries was about one per cent lower in January than in December. The output of iron and steel, copper, and zinc increased, while activity in the woolen and petroleum industries declined, and mill consumption of cotton, the cut of lumber, and bituminous coal production increased less than is usual at this season of the year. Automobile production, not included in the index, was slightly smaller than in December, but considerably larger than in January, 1925. Factory employment changed but little in January, but the earnings of workers decreased considerably owing to the closing of plants in most industries at the opening of the year for inventory-taking and repairs. The volume of building contracts awarded in January, although seasonally less than in December, exceeded that of any previous January on record. Contracts awarded were particularly large in the New York and Atlanta districts. (Press statement, Feb. 27.)

Wool Industry — An editorial in The Oregon Farmer for February 4 says: "Organization, cooperation and education are the chief needs of the wool industry. So declared Frank J. Hagenbarth, president of the National Woolgrowers' Association, in his talk at the Oregon woolgrowers' convention in Pendleton. This is a broad basis upon which any industry might build safely and successfully. President Hagenbarth is beginning to grow doubtful with regard to what others can do to help the sheep industry. He believes the sheep men have to rely more and more upon themselves. He declares: 'Greater care in our operations and greater efficiency in handling our business is where we may make more money.' Fred W. Falconer of Pendleton, president of the Oregon Woolgrowers' Association, still -

believes that the sheep and wool industry have their tariff protection as one of the fundamental requirements of success."

Section 3

MARKET QUOTATIONS

Farm Products For the week ending February 27: Receipts of cattle, calves and hogs at seven large mid-western markets were somewhat lighter than a week ago while sheep receipts increased. To-day's hog market was around 10 to 15¢ higher; cattle prices were weak to 25¢ lower on the better class of beef steers, common steers and stockers and feeders fully steady, all classes of she stock were steady except light heifers which were weak. Fat lambs were $1 to $1.50 higher with spots up more on heavies. Yearling wethers were 75¢ to $1 up and sheep and feeding lambs 50¢ higher.

Grain market irregular. Wheat prices down account lower foreign markets and good prospects for winter wheat in Southwest. Cash wheat showing slightly less weakness than futures account improved milling demand. Corn turning firmer with more active inquiry for market offerings although dealers cautious about low grade damp corn. Oats practically unchanged.

Potatoes 10 to 20¢ lower in city markets and down 5 to 10¢ at shipping points. New York sacked Round Whites mostly $4.15 to $4.25 per 100 lbs. in eastern cities and $3.80 to $3.90 f.o.b. Rochester. New York Baldwin apples about 25¢ lower closing at $3.25 to $4.25 per bbl. in leading markets and $3.25 f.o.b. Rochester. Texas new cabbage $5 to $10 lower at $75 to $90 bulk per ton in distributing centers and $45 to $47.50 f.o.b. Yellow onions showed no decided change during the week.

Butter markets were firmer. Prices advanced slightly with demand good. Receipts showed some increase but reports indicated that production was running quite a little heavier than in February 1925.

Cheese markets were steady and prices were held unchanged except for fractional declines on Longhorns and Square Prints. Trade was slow and for small lots.

Hay market again easier. Demand moderate and offerings of ordinary hay in excess of consumers' needs. Low grades accumulating some markets and selling at sharp discounts.

Feed market continues generally weak. Supply of wheatfeeds still in excess of demand. Some slight improvement in certain markets in demand for bran but middlings dull.

Average price of Middling spot cotton in 10 designated spot markets declined 109 points during the week, closing at 18.57¢ per lb. New York March future contracts declined 99 points, closing at 19.26¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Feb. 27,	Feb. 26,	Feb.27,1925
	20 Industrials	154.45	154.68	122.24
	20 R.R. stocks	107.90	107.68	99.72
	(Wall St. Jour., Mar. 1.)			

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Vol. XX, No. 50 Section 1 March 2, 1926.

CAMPAIGN FOR AGRICULTURE OPENS

The Associated Press to-day says: "Farm organization leaders at a conference in Washington last night completed plans for the long-heralded drive upon Congress for agricultural relief legislation. It is expected to be launched to-day with the opening by the House agriculture committee of hearings on a number of farm relief bills, including the Dickinson surplus measure. Attending the meeting last night were Govs. John Hamill, of Iowa, and Carl Gunderson, of South Dakota, members of both House and Senate, and a score of representatives of farm organizations in central and midwestern States. It was arranged by the executive committee of 22 of the north central States agricultural conference, which has charge of the program adopted at the recent Des Moines conference.

"George N. Peek, chairman of the committee, in an opening address, asserted that if Congress should fail to pass farm relief legislation at its present session, 'new alliances' could be expected to arise 'out of the common economic interest of the South, West and Central agricultural States.' He reviewed at length conditions in agricultural communities and declared there 'has been a progressive decline in the economic position of agriculture since the close of the last century.' Farm forces are concentrated in Washington this week, he said, to seek legislation under which 'the agricultural industry can control its surpluses in the interest of stabilizing domestic price. '...."

SEED LEGISLATION

Shipment in interstate commerce of adulterated or misbranded seeds would be made a misdemeanor under a bill introduced in the House yesterday by Representative Hare, according to the press to-day.

BRITISH GOVERNMENT PLANS BROADCASTING MONOPOLY

An Associated Press dispatch from London to-day states that the British Broadcasting Company, the combination of wireless equipment manufacturers which has a monopoly on broadcasting in Great Britain, is to be purchased by the Government when its license expires, at the end of the present year. Appointment is forecast of a permanent broadcasting commission, including, besides representatives of the Government, men who have a special knowledge of the technical details of radio.

STOCK SALES

An Associated Press dispatch from New York to-day says: "Speculative markets -- stocks, grain, and cotton -- broke to new low levels for the year yesterday in one of the most drastic shakeouts of impaired marginal accounts in recent months. Stocks slumped 1 to 15 points, despite the fact that banking support, running into the millions of dollars, had been provided before the opening to take care of over-extended speculative groups in three stocks -- American Brake Shoe & Foundry, Foundation Co., and New York Canners -- which had sustained violent declines in Saturday's brief session. Total stock sales ran over two and one-half million shares, the largest of any session this year. ...."

Section 2

Agriculture and the Tariff

An editorial in the Washington Post for February 28 says: "An alleged economist connected with one of New York's big banks condemns the Dickinson agricultural bill and all similar bills, and declares that 'the simpler and more effective remedy for the agricultural situation is a reduction of the tariffs on manufactures.' He adds that 'it is a grotesque proposal that we should seek prosperity by making our domestic consumers pay much more for our domestic products than foreigners are obliged to pay for these same products.' It is amazing that a large national bank, receiving the great bulk of its deposits and the bulk of its business from American business men who are paying taxes in the United States, and presumably paying American wages, should sponsor a declaration such as is attributed to this alleged economist. .... American manufacturers, like American farmers, indulge in 'mass production' on an enormous scale. They can not always exactly gauge the demand. The farmers ask that the Government shall finance the disposal of their surplus in foreign markets. The manufacturers do not have the nerve to make such a demand. They do the best they can, against sharp foreign competition, and then endeavor not to be caught again with an unwieldy surplus. The American market pays high prices for the farmer's products, and the people do not demand that foreign farm products be admitted free, because they know that while they might obtain cheaper foodstuffs they would destroy American agriculture. ....What is sauce for the goose is sauce for the gander, in the protection of farmer and manufacturer against ruinous foreign competition. The American market belongs to them both. If either has surplus he has a right to get rid of it abroad at the best price he can obtain."

Business Situation

E. D. King conducts an interview with "one of the outstanding figures of the administration," who remains anonymous, in The Magazine of Wall Street for February 27. The interview in part follows: "In your estimation," I asked, "are there any reasons to question the permanency of our prosperity; do you look for a change in the underlying situation which would warrant a less hopeful attitude on the outlook than has been prevailing?" The answer came slowly but remarkably explicit: "There are two ways in which the business outlook should be viewed. One would consider the present situation and, say, the outlook for the balance of the year. The other would look further ahead. For the present, I entertain no apprehensions. Though we are just now in a period of slight reaction from the recent great volume of commercial and manufacturing business, this is purely a seasonal condition. It generally occurs at about this time of the year. The situation, in fact, is fairly steady and seems well-balanced. ...An adequate summary of the business outlook as conveyed in the above interview would be something as follows: (1) The present and immediately prospective situation is satisfactory, though an irregular trend will probably continue to be demonstrated for some time. (2) Following this period of irregularity, business should resume its upward course. (3) The total volume of business in 1926 will probably not fall far short from that of the previous year. (4) There are several potential dangers, of which the first is the too rapid growth of instalment-plan buying, and the second is the growth of foreign competition. Neither are factors of immediate importance though they may do some damage so far as the long-range future is concerned. (5) With demonstrated efficient business methods, with ample capital available for commercial and manufacturing enterprises and with

a sufficient degree of restraint and intelligence in business direction, there seems little in the situation to cause us to fear the outcome."

Food Merger Investigation

An editorial in The Magazine of Wall Street for February 27 says: "The Attorney General's announcement that the Department of Justice would investigate recently contrived or projected food mergers threw a cold chill on the aspirations of those involved in these deals. The result was a wide open break in the market price of the more prominent of these issues. The conclusion seems to have been hastily drawn that the administration has turned hostile to the theory of consolidation and the tendency now seems to be for the speculative community to look less favorably on the so-called merger stocks than has been the case heretofore. This is a premature deduction. The fact is that the administration, according to the President's own pronouncements on the subject, are well disposed toward concentration of capital or consolidations as a necessary stage in our economic development. This is particularly true of railroad consolidations, a project with which the Government is heartily in accord. As a matter of fact, even in the industrial field which has already witnessed many important mergers, the Government has found little occasion to protest and the assumption is that it sees little in the situation to warrant legal action. In the case of the food merger, a somewhat different situation developed. This was particularly the case with the bread combine. Here we had a situation where the commercial bread-making facilities of the Nation were to be monopoliz to a fairly appreciable degree. The social implications of this situation could not have been ignored and it is a fair assumption that unless the Attorney General had acted quickly, a storm of protest would have descended from many quarters. From a more sophisticated viewpoint, it may be that the administration, in its willingness to sacrifice the bread and food mergers, felt that in doing so it would receive the commendation of the public and thus be left free to deal as it saw fit in the railroad and industrial merger field. Howsoever this may be, it should not be concluded that the recently expressed antagonism of the Government toward food mergers in reality reflects its attitude on the consolidation process, as a whole."

Game for Alaska

An editorial in Hunter-Trader-Trapper for March says: "That there should be any necessity for introduction of game in any part of Alaska may be surprising to many but the territorial legislature and the new Alaska Game Commission are taking steps to introduce elk on the Kenai Peninsula and the islands of Prince William Sound, where there are none at present. The legislature recently made an appropriation of $10,000 for this purpose and other work of the same kind. The Commission is developing a definite program for introducing suitable species where they are now lacking. A number of deer were recently captured, transported and liberated in the Kodiak region, funds for that purpose having been provided by the 1923 legislature. A cargo of young caribou bulls were brought down the Yukon River in June by a barge and steamer and transferred to a Government ship at the mouth of the river for transport to Nunivak Island, where the experiment of crossing reindeer with native caribou is to be carried on under Government auspices. Much can b done in the vast game fields of Alaska to increase its wild animal population by intelligent distribution and introduction of suitable species where they do not now exist."

Supply and Demand

Mark Sullivan is the author of an article entitled "Dangers in Tinkering with the Law of Supply and Demand," in The World's Work for March. He says in part: "This rubber episode touches two natural forces, both promising to be increasingly insistent, which future international relations will be obliged to take account of--two forces of nature which go hand in hand, and which, as the Siamese twins of economics, are likely to compose the principal burden of the thought of the statesmen of the next generation. One is increase of population; the other, limitation of the sources of food and other raw materials..... And yet, one is obliged to consider whether there is not, just ahead of us, a condition in which we shall have to scrutinize the law of supply and demand on the ground of its one conspicuous defect. That law is wasteful. Unrestrained competition is wasteful. The main purpose of the British rubber control was less profit than conservation.....May not this prevention of waste, this conservation of materials, become more and more necessary in proportion as we approach the condition now occupying the minds of many wise men, a condition in which the sources of raw materials, including food are a fixed quantity, but in which population is a rapidly increasing quantity? May not the need of preserving a continuous supply of food cause organized society to face the problem of maintaining a delicate balance between maximum population and fixed supply? For America, the increase in the world's population creates a peculiar need for punctilious abstinence from interference with the free flow of trade. It is especially incumbent on us to refrain from interfering with the access of all peoples on equal terms, both to sources of supply and also to markets. As populations increase, their efforts to accommodate themselves to fixed limits of food and other raw materials will cause them to tend to flow out over the world freely and gravitate in proportions determined by the geographical distribution of the sources of food and other materials out of which men may earn subsistence. .....If there is ahead of the world a problem of delicate adjustment between population and food, it will follow that populations, and governments responsible for populations, will want either to send their people where food and raw materials are, or else to have the right to send the products of their industry to where markets are. America will be in the position of having immense resources for the production of food, very tempting to the surplus populations of crowded countries."

"Truth-in-Fabric" Bill

The silk and wool trades are "unalterably" opposed to the compulsory labeling legislation being introduced in the Senate by Senator Capper and in the House by Representative French, it was emphasized at New York recently at a joint executive meeting of prominent members of the two industries at the offices of the American Association of Woolen and Worsted Manufacturers. While there was no hostile attitude toward voluntary labeling, the textile factors present went on record as opposed to any "truth in fabric" bill which would make labeling compulsory. (Jour. of Commerce, Feb. 19.)

Section 3

MARKET QUOTATIONS

Farm Products March 1: Maine sacked Green Mountain potatoes ranged 5¢ to 10¢ lower at $4.50 to $4.60 per 100 pounds in eastern cities; bulk stock mostly $3.80 f.o.b. Presque Isle. Delaware and Maryland yellow varieties $2.25 to $2.75 per bushel hamper in eastern markets. New York Danish type cabbage ranged $55 to $70 bulk per ton in leading markets; mostly $55 f.o.b. Rochester. New York Baldwin apples 25¢ to 50¢ lower in city markets at $3 to $4 per barrel and firm at $3.25 to $3.50 f.o.b. Rochester.

Chicago hog prices closed at $14 for the top; bulk of sales $11.70 to $13.40; beef steers choice, $10.85 to $11.65; heifers, good and choice $7 to $10.75; cows, good and choice $6.40 to $8.15; canner and cutter $3.65 to $4.65; vealers, medium to choice $10 to $14, heavy calves medium to choice $6 to $8; stocker and feeder steers, common to choice $6.75 to $9.25; fat lambs medium to choice $13 to $15; yearling wethers medium to choice $9.75 to $12.50; fat ewes, common to choice $5.50 to $9; feeding lambs, medium to choice $12.50 to $14.50.

Closing prices on 92 score butter: New York 46 1/2¢; Chicago 44 1/4¢; Philadelphia 46 1/2¢; Boston 46 1/2¢.

Grain prices quoted March 1: No. 1 dark Northern Minneapolis $1.55 to $1.72. No. 2 red winter Chicago $1.74; St. Louis $1.72 to $1.75; Kansas City $1.67. No. 2 hard winter Chicago $1.66; St. Louis $1.67; Kansas City $1.61 to $1.64. No. 3 mixed corn Minneapolis 61 to 63¢; Kansas City 66 1/2¢. No. 4 mixed corn Chicago 62 to 67 1/4¢. No. 3 yellow corn Minneapolis 66 to 70¢; St. Louis 71 1/2¢; Kansas City 67 3/4¢. No. 3 white corn St. Louis 71 1/2¢; Kansas City 67 1/2. No. 3 white oats Chicago 40 1/2¢; Minneapolis 36¢; St. Louis 41¢; Kansas City 40 1/4¢.

Middling spot cotton in 10 designated spot markets declined 36 points closing at 18.21¢ per lb. New York March future contracts declined 31 points, closing at 18.95¢. (Prepared by Bu. of Agr. Econ.).

Industrials and Railroads	Average closing price	Mar. 1	Feb. 27	Mar. 1, 1925
	20 Industrials	150.98	154.45	123.93
	20 R.R. stocks	107.15	107.96	100.76

(Wall St. Jour., Mar. 2.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XX, No. 51 Section 1 March 3, 1926.

FARM RELIEF CONFERENCES The Associated Press to-day says: "Delegates from eleven Middle Western States, acting under instructions from the recent Des Moines agricultural conference, will present their views on farm relief to the President and the Secretary of Agriculture to-day. They have been allotted one hour, beginning at 10:30, and immediately after the conference at the White House they will meet with Secretary Jardine. Leaders of the farm delegates, who include Governor Hammill, of Iowa, and Governor Gunderson, of South Dakota, will tell the President and Secretary Jardine that, while they are not insistent on any particular form of farm relief, they are united in their belief that justice and sound economic policy require that the farmers shall have their economic status raised to the level of other economic groups. In private conferences during the last two days, they have asserted that their aims are not radical or economically unsound, and while they decry reports that they will attempt to dictate to the administration or to Congress what course should be taken, they declare they can not be responsible for the future political actions of farmers if their hopes of some relief are not realized."

IN CONGRESS The Senate yesterday adopted the conference report on the $425,000,000 deficiency appropriation bill by a vote of 43 to 29, according to the press to-day. Opening of hearings on farm relief legislation by the House agricultural committee was postponed until tomorrow.

THE PACKERS' CASE The press to-day says: "A further attempt to block suspension of the celebrated packers' 'consent decree,' by which the Big Five packing houses agreed to divest themselves of certain holdings, failed yesterday in the District of Columbia courts. Court of Appeals granted a motion of the California Canneries Company to dismiss appeals by the Department of Justice and the National Wholesale Grocers' Association. The effect of the ruling is to make operative the suspension order issued by a lower court."

TOBACCO MEN PROTEST CIGAR MAIL IMPORT Opposition to the Green bill, which would allow the shipment into the United States by mail of Cuban cigars in quantities of less than 3,000 was heard yesterday by the House ways and means committee, from representatives of American tobacco organizations.

Charles Dushkind, counsel for the Tobacco Merchants' Association, declared that only recently it was necessary for Congress to provide tax relief for the tobacco industry. The new postal convention with Cuba made it a condition that such legislation as is covered by the Green bill should be enacted within eighteen months. Tobacco producers from Connecticut, North Carolina, Virginia and Florida have joined with the cigar manufacturers in opposing the bill. (Press, Mar. 3.)

Section 2

Agricultural Legislation

An editorial in The Journal of Commerce for March 2 says: "All reports from Washington agree that the farmer and his problems are to occupy much of the attention of Congress during the remainder of the current session. What is actually to be done, if anything, remains about as much of a mystery as ever....The most likely result of a situation of this sort is perhaps that nothing of very much importance will be accomplished. At all events, it may be taken as a foregone conclusion that nothing of constructive value will be undertaken. In these circumstances it is probably just as well that the outlook is for much talking and not very much action. It is, however, not to be supposed that no serious agrarian problems remain and will continue to remain before Congress and the Nation. On the contrary, while circumstances over which often neither Congress nor the people at large have a great deal of control have served to lighten the burdens of the farmers for the time being, the underlying difficulties of the situation have not been greatly altered....The farmers themselves, or at least a good many of them, seem to understand that their troubles lie for the most part in the disparity between prices of goods they produce and sell and the values of manufactured goods they are forced to buy. There are exceptions to this general rule, of course. Perhaps during the past two or three years the price gap has, for the time being at all events, been closed somewhat. But, none-the-less, the situation in its deeper essence remains largely of the nature just outlined, and it is so understood by many, perhaps the rank and file of the agricultural producers of the land. Knowledge is likewise fairly general that finished goods prices by and large are high by reason of trade union domination, immigration restrictions, tariff excesses, loose banking control, and other similar factors, and, further, that these influences, though adding to costs of doing business on the farm, have not enabled the farmers to obtain prices for their wares that compare favorably with those of the manufacturer. Unfortunately, it does not appear to be so well recognized that since we are, for the most part, an agricultural exporting nation, farm products can not, in the nature of the case, as a rule be inflated in the same degree or in the same manner as is the case with many other products. The simple truth of the matter is that the farmer must either curtail production substantially, involving a considerable shift of population from the farms to industrial centers, see to it that national policies are adopted that would lead naturally to lower costs and lower prices in industrial branches of our national economy or make up his mind to endure a very considerable period during which he will be at a disadvantage as compared with the manufacturer. Now, curtailment of agricultural production to the extent that would probably be necessary to raise farm prices to a par with other prices would be as unfortunate as it is unnecessary. There is, likewise, no reason why the farmer should be forced to wait more or less indefinitely for the natural course of events to right prices in this country and liberate him. His opportunity lies in prompt realization that his salvation is to be found in deflation, not in further inflation, and that those in power have not the slightest idea of furthering a deflation movement of any kind so long as the majority of the voters do not demand it in no uncertain terms."

Butter Tariff 1

An editorial in The Pacific Dairy Review for February 18 says: "Reports from Washington are to the effect that the Tariff Commission will soon render its decision on the application to raise the duty on imported butter from 8 to 12 cents per pound. The decision is being

awaited with a great deal of interest among producers in some sections of the country, who are convinced that the importation of foreign butter is responsible for keeping our markets down too close to the cost of production. While our dairymen are rightly entitled to the same protection against cheap foreign labor and other conditions in production that other industries obtain, the fact remains that they and farmers generally are too prone to seek relief through the law instead of working out the problem themselves. The question of increased duty on butter is an instance of this kind. As everybody knows, foreign butter is only attracted to this country when our prices are out of range with the markets of Europe. Usually this happens in the fall and winter, and does not happen very often at that. When it does happen it is due to the fact that our dairymen have fallen down in the amount of butter they produce. It gives the producers in other butter producing countries their opportunity. A more even production throughout the year would beat the tariff as a remedy for this problem. Less butter in the spring and summer and more in the fall and winter would effectively head-off the foreign butter that high prices attract to our markets."

Butter Tariff 2

The Journal of Commerce for March 1 says: "The recommendations of the Tariff Commission concerning duties on butter imports have been transmitted to the President but the nature of the findings still remains a secret. Certain facts, however, are a matter of common knowledge which enable any dispassionate person to determine for himself what the Tariff Commission ought to say about butter duties. Every one knows, or can find out by consulting trade reports, that butter imports into the United States constitute a negligible fraction of 1 per cent of the total amounts of butter produced for domestic consumption. The actual imports in 1925, as a matter of fact, reached only 7,300,000 pounds, not much more than one-third the total imports during the preceding year. As the American public consumes about 1,500,000,000 pounds of butter more or less, it is evident that the competition of Danish or, more recently, Canadian butter can only affect a very few producers and can have virtually no influence at all upon the price of butter which is determined in the domestic market...."

Corn Surplus

An editorial in The Wall Street Journal for March 2 says: "Another plan is being hatched to remove the 'surplus' corn from the market and thus enhance the farm price. It is so simple that it will undoubtedly receive the hearty support of many farmers who, later, will join the great army of disillusion. A central association is to be formed, having under it State, county and township officials. Townships in the corn producing States are to be checkerboarded in four-mile districts with a captain over each one. In this way information is to travel up and down the line between the producers and the throne. When the central association has determined upon the size of the crop it will figure out the exportable surplus in percentage, and orders will ultimately reach the farmers to deliver that percentage of their crops to the elevators for export. Thus the theoretical surplus will be at once removed from the market and the farm price automatically advance. All of which seems as easy as sliding down a greased chute. But there are a few slivers in the way even if it is greased. When the 'export surplus' is figured out how will they persuade foreign customers to take it all? These have never been uniform in their takings of corn from this country....It is difficult

also to understand how even 'average exports' would greatly influence a crop of around 3,000,000,000 bushels, but leave that to the association to explain. What is a surplus? Evidently the association would define it to be an amount that permits of exports. Taking that meaning, it will be necessary first to determine the domestic consumption and deduct that from the crop. But consumption is not a fixed figure, and for corn varies greatly from year to year. Price is one of the important factors affecting consumption of corn. Another is the number of farm animals to consume it. Corn is cheap now, not because of an oversupply but because of an undersupply of hogs to consume it. How will this be regulated? There being so limited a foreign demand for corn, the association, even if gifted with power to foresee consumption, can not deduct that amount from the crop and sell it abroad. Instead, it would be simple holding some corn off the market to be added to the crop of the next year, and then the farmers would see a still greater 'surplus'. The 'plan' would work out as a crude speculation. It is an egg that should be broken before it is hatched."

Crop Reports An editorial in The Journal of Commerce for March 1 says: "It begins to appear that some of our crop reporting reformers might be able to learn something from Cuba. Sugar, as is well known, has been at a very low price for many months, chiefly perhaps to the detriment of a somewhat different economic class from those in this country who feel most aggrieved when wheat or cotton sink to low levels of value. But still there is in the island apparently a good deal of dissatisfaction with the way things have been going, and the wish is widespread naturally that something effective be done to relieve the hardships imposed, directly or indirectly upon almost all interests there. What more natural and what more in keeping with the general line of thought in this country about such matters than to place the responsibility upon private estimates of the crop? And what more simple and direct mode of remedying the situation than that of doing away with the publication of such private estimates? If for the most part these estimates are in any case made public, or can be, in this country, and if the effect upon the industry is an outgrowth of their publication outside of Cuba--well why bring up disagreeable subjects when an effort is being made to aid in an unfortunate state of affairs?...."

Section 3

Department of Agriculture An editorial in Southern Ruralist for February 15 says: "With a total world cotton crop of around 27,000,000 bales, plus a carryover of 3,000,000 bales brought into the present year, running the total available supply up to 30,000,000 bales, or if we include linters some 31 to 32 million bales, together with increased acreage elsewhere, brings up some very serious questions for the cotton farmers of the South. We were told in a January news release by the United States Department of Agriculture that India has not only already come to be a very effective competitor of the United States but 'is making very determined effort to improve the quality of the fiber as well as to increase the quantity.' Among other interesting things that the Department of Agriculture has found out about the Indian crop that vitally affects the crop here is the fact that the quality there 'is receiving greatest attention just now.' On top of that, acreage is expanding under irrigation, with the promise of a total for the entire country of some thirty-eight and a fourth million acres as the final ultimate area.....The two important problems before the farmers of the South are, first, the production of

better quality, and, secondly, limiting the crop....It should be pointed out in this connection that it does not take a surplus of any farm crop to bring down the price to the grower. When the cotton grower balances demand with supply, or even approaches it, the spinners will let him hold the bag. And why shouldn't they? The price of the crop for 1925 should convince us again of the truth of this extremely important fact. If we will profit by it we will so adjust our acreage that overproduction will be impossible. We realize that world population is increasing along with the increase in cotton acreage and total yield, but if we take the facts pointed out by the United States Department of Agriculture seriously, as we should, we are brought more fully to realize than ever that increase in acreage and quality elsewhere not only threatens our supremacy, but adds enormously to whatever problems we may have had already. If we fail to meet this new situation we will pay the price. Knowing already that that price means poverty and hardship we ought to have judgment enough to take steps to protect our industry and ourselves."

Section 4

MARKET QUOTATIONS

Farm Products Mar.2: Chicago hog prices closed at $13.75 for the top, bulk of sales $11.70 to $13.50; beef steers choice $10.85 to $11.65; heifers, good and choice, $7.15 to $10.75; cows, good and choice, $6.50 to $8.25; canner and cutters $3.75 to $4.75; vealers, medium to choice $10 to $14; heavy calves, medium to choice $6 to $8; fat lambs medium to choice $13 to $15, yearling wethers, medium to choice, $9.75 to $12.75; ewes, common to choice, $5.50 to $9; feeding lambs medium to choice $12.50 to $14.50.

New York sacked Round White potatoes mostly $4.15 to $4.35 per 100 pounds in eastern cities and $3.80 to $3.90 f.o.b. Rochester. Maine sacked Green Mountains $4.35 to $4.60 in the East; bulk stock $3.80 f.o.b. Presque Isle. Wisconsin sacked Round Whites $3.60 to $3.80 on the Chicago carlot market and $3.40 to $3.45 f.o.b. Waupaca. Danish type cabbage from New York State ranged $50 to $70 bulk per ton in distributing centers and sold at $55 f.o.b. Rochester. New York and midwestern yellow onions sold at a range of $2.25 to $3 sacked per 100 pounds in consuming centers; f.o.b. quotations mostly around $2.25 to $2.40.

Grain prices quoted March 2: No.1 dark northern Minneapolis $1.54 to $1.68. No.2 red winter St.Louis $1.72; Kansas City $1.65. No.2 hard winter St.Louis $1.65 1/2; Kansas City $1.59 to $1.63. No.4 mixed corn Minneapolis 61 to 63¢; Kansas City 65 1/2¢. No.3 yellow corn Minneapolis 66 to 70¢; St.Louis 71 1/2¢; Kansas City 66 1/2¢. No.3 white corn St.Louis 71¢; Kansas City 66 1/4¢. No.3 white oats Minneapolis 36¢; St.Louis 40 3/4¢; Kansas City 40 1/2¢.

Middling spot cotton in 8 designated spot markets (Houston and Galveston holiday) declined 21 points, closing at 18¢ per lb. New York March future contracts declined 9 points, closing at 18.86¢. (Prepared by the Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Mar. 2,	Mar.1,	Mar. 2, 1925
	20 Industrials	147.06	150.98	123.93
	20 R.R. stocks	105.42	107.15	100.76

(Wall St. Jour., Mar. 3.)

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DAILY DIGEST

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Vol. XX, No. 52 Section 1 March 4, 1926.

THE AGRICULTURAL CONFERENCE The Baltimore Sun to-day reports: "Demands of western farmers for administration support for the Dickinson crop marketing bill now pending in Congress met with a cool reception yesterday both from President Coolidge and Secretary of Agriculture Jardine. The administration promised to use its influence for the passage of any farm legislation which might be drafted by the agricultural committees of Congress, but refused to commit itself on any specific bill. The committee of twenty-two, consisting of two members from each of the eleven Western States, formed at the agricultural conference in Des Moines in December, met with President Coolidge for half an hour at the White House and then had a conference of more than two and one-half hours with Secretary Jardine....."

The New York Times to-day reports the conference in part as follows: "Thomas Cashman of Minnesota, who was introduced to the President as a representative of the Amalgamated Farm Organizations and spokesman for more than 1,500,000 farmers, said that while all the farmers were not insistent on any particular form of relief, they were virtually unanimous that something should be done of a helpful nature. He said they hoped to secure staple domestic price levels, free from the violent fluctuations which are due to uncontrolled seasonal marketing and occasional crop surpluses. Mr. Cashman declared that there should be created a Federal Farm Board to administer separate funds, to which each farm commodity contributes, for stabilization of prices through control of surplus; that there should be voluntary private cooperative associations or corporations created by the farmers themselves and controlled by them, to perform or contract for the actual storing, handling and selling involved in controlling surpluses; that there should be perfected a plan whereby, at the most practical point between producer and consumer, a small equalization fee be assessed on each stabilized commodity, the money to create a fund adequate to accomplish a control of the surplus."

"George N. Peek of Illinois, chairman of the delegation, speaking for the Des Moines conference, advised the President that the conference indorsed the fundamental principles of the so-called Dickinson bill, to create a Federal agricultural board to handle surplus commodities."

DUTCH RUBBER CONTROL A dispatch from The Hague to the press to-day says: "Rubber statistics issued here indicate that one-fourth of the area planted with rubber in the Dutch Colonies, and as much of the production, is more or less under British control and that this control is likely to be further extended in the near future. Americans also have acquired considerable interests in the trade, so that the Dutch administration is faced with a difficult problem. It is admitted that Holland has greatly benefited by the British measures to restrict production, but the compiler of the statistics points out that Dutch economic considerations alone should provide the guiding principle in Holland's attitude."

Section 2

Agricultural Area Conference

Dr. H. C. Taylor, former chief of the Bureau of Agricultural Economics, is the author of an article entitled "The Iowa Movement" in The American Review of Reviews for March. In this Doctor Taylor says: "The 'Corn and Agricultural Area Conference, a Non-Partisan, Non-Political Gathering to Put Agriculture on a Business Parity with Other Business Enterprises,' has been designated as 'the most significant conference held in the Middle West since the Civil War,' as the 'most important meeting ever held in the Mississippi Valley.' For the present the struggle for a fair share for agriculture appears in the foreground, but it was made clear that in the background is a firm determination on the part of farmers not to be forced into the peasant class. The raising of the standard of living of farmers to the level of that of city folks is largely at a standstill just now because of lack of funds. It is the general conviction that funds are lacking because farmers are not getting a fair share of the national income. There is nothing in sight to encourage the belief that this movement will stop until the funds are available and the legitimate standard of living for farmers has been secured. As Governor Hammill said more than once in the conference, 'A movement has started which will never stop until a square deal for agriculture has been secured.'"

Agricultural Production and Profit

A New York dispatch to the press of March 2 states that the National Industrial Conference Board has completed an agricultural survey of the United States in which it finds that farm profits are steadily declining, production is lagging in inverse ratio to the growth of population and that the farmer's expenses rise faster than the prices he gets for his products. "Farm exports show a distinct downward trend since 1900," the board reported, "while agricultural imports are increasing. The farmer's weakened position in meeting foreign competition is said to have resulted from a tendency of his expenses to rise more rapidly than the prices he receives for his products." The average annual farm return, it was pointed out in the last five years, was $600 after allowing a nominal return on capital invested, including food, fuel and shelter. The increase in the cost of living has reduced the farmer's income to 4 per cent below that of 1914.

An editorial in The Wall Street Journal for March 3 on this subject says: "While the National Conference Board makes valuable reports based on careful investigations, deserving the high consideration given them by business men, when it says that the farmer's 'plight' is caused in part by an increased import of agricultural products, it is in error. It is statistically true that imports of 'agricultural' products are increasing. But just what are those products? In 1925 the group classified as 'animal and animal products' amounted to $381,000,000 in the import trade. As $260,000,000 of this total was duty free it is to be presumed farmers were not hurt by a large percentage of it. This list includes about $55,000,000 of meats, dairy and poultry products, all of which our farmers produce. It includes $96,000,000 of hides, a commodity that our farmers do not produce in sufficient quantity. It includes $30,000,000 of fish and also glue, ostrich feathers, ivory, sponges, whale and cod liver oil, none of which the farmers of Iowa are producing. Vegetable food products imports amounted to $946,000,000. Of this total 'grains, feeds and fodders' were under $38,000,000 and 'vegetables, green and dried' $36,000,000. These include winter grown vegetables from southern

countries and some things not grown here; while tropical fruits and nuts make up a large percentage. Tea, coffee, cane sugar, spices and cocoa make up about $620,000,000 of this group of 'agricultural' products. Surely the Iowa farmer is in no 'plight' because of them? In addition to the foods there is another vegetable group the imports of which amounted to approximately $600,000.000, mostly duty free. Crude rubber made up $437,000,000 of this total. Camphor, other gums and resins, essential oils, dyeing and tanning materials, sugar beet and other seeds made up nearly all the remainder, leaving only $50,000,000 worth of unmanufactured tobacco to add to the farmer's 'plight.' Agricultural products also include textiles. The imports of wool were large--$142,000,000. Our production of wool is not half what we consume. There was an item of $20,000,000 for cotton, mostly Egyptian long-staple. There was a great deal of jute, hemp and sisal, but cut out those imports and the farmers would indeed be in a 'plight' without binder twine, or cotton bagging. In this group the greatest sinner is raw silk. The 1925 imports amounted to over $396,000,000, but as the farmers are not raising silk in the West there is no occasion to grumble. It is true that the imports of 'agricultural products' are large and increasing, but their competition with our farmers is nil, because they are products that for the most part we can not produce here."

Cow Champion A New Brunswick, N.J., dispatch to the press of March 3 says: "Burke Sadie Vale, a Holstein cow, owned by the College of Agriculture of Rutgers University, now holds the world's record for milk production in classification B, according to an announcement made March 2. The cow was milked three times daily for 305 days and produced 21,136.4 pounds of milk and 669.45 pounds of butterfat."

Diversified Farming An editorial in The American Review of Reviews for March says: "The time will come when the present areas of wheat farming in the United States will raise more clovers and corn, and will feed more livestock. Iowa and the Corn Belt will then produce somewhat less corn in proportion, and will raise somewhat more wheat and other small grains in due rotation. It is scarcely realized how incomplete is the process of agricultural pioneering, and how vitally this fact bears upon the problems that a State like Iowa has to face in reestablishing the desired equilibrium. While wheat and corn do not compete with one another being principally food for human beings and the other principally food for animals, they do in some real sense compete. They both contribute to the total food supply, as measured against the demands of the domestic and foreign markets that consume our staple supplies of bread, butter, cheese, packers' output of fresh and cured meats, and various food articles."

Farm-to-Consumer Parcel Post The Baltimore Sun for March 3 says: "The experiment conducted this year by the Post Office Department in seeking to encourage direct shipments of produce from farmers to consumers by parcel post has proved a failure. The Post Office Department reports that neither producers, consumers nor rural carriers favored the plan....Postmaster-General New says that every effort was made to give this service a fair trial up to March 1. First, letters were sent to 194 post offices in twenty-nine States, explaining the plan. Of the replies received, 165 postmasters were against the plan and even those who approved it were not enthusiastic. Circulars of information were sent to patrons along forty-four

routes selected, and extensive publicity for the plan was obtained. Despite this, fifty-eight per cent of the routes carried no business of this character, and the remaining forty-two per cent carried a daily average of only four pounds of food products--vegetables, flour, meal, sugar, corn, fruits, meats, poultry, eggs and dairy products. Commenting on the experiment, Postmaster-General New said: 'Our experience in conducting this experiment leads to the conclusion that there is no public need or demand for this character of service.'....."

An editorial on this subject in to-day's Baltimore Sun says: "Secretary New's announcement that the effort to encourage farm-to-consumer parcel post sales has failed is not an indication that consumers are necessarily unwilling to purchase direct from the farms. Many hundreds of Baltimoreans who do that very thing are proof to the contrary. It may be said, however, that the Post Office's fiasco suggests one conclusion--namely, that the Government's advice is less important than the participants' willingness in schemes like that. For this reason, if no other, the farm cooperative movements look more interesting when they start with the farmers than when the Government tries to initiate them."

Hog Statistics Iowa was firmly established on January 1, as leading hog State in the Union, Commerce Department figures announced March 2, crediting the State with having 8,687,001 swine of all ages on farms and ranges. Illinois, with 4,363,379 and Nebraska with 4,280,009 were next, while the total for the country was placed at 51,842,428. The District of Columbia with 999 hogs, was at the bottom of the list, while of the States, Rhode Island had the fewest, 4,175.

Meat Situation A review of the meat and livestock situation during the month just closed, issued March 1 by the Institute of American Meat Packers, states in part: "A continuance of receipts of heavy hogs has served to increase the relative supply of heavy cuts of pork, and, as a consequence, has widened the price difference between light and heavy cuts....February was an unsatisfactory month for the American meat packing industry. In general, the demand was sluggish, with steady prices, except in the case of lamb, which declined appreciably at wholesale during the month. Europe during February continued to get along with small supplies of American meat products."

Northwest Farm Fund A St. Paul dispatch to the press of March 2 states that representatives of farm loan associations of North Dakota, meeting at St.Paul, were advised that the St.Paul Federal Land Bank will provide $12,000,000 for farm loans during the 1926 period. In 1925 loans aggregated $21,230,000. The St.Paul Federal Land Bank has disposed of all farm land that it acquired the last few years in Minnesota and North Dakota.

Unemployment in Britain Unemployment, on the whole, in 1925 in Great Britain was greater than the previous year. The average of the monthly percentages unemployed in Great Britain and Northern Ireland among workpeople covered by the unemployment insurance acts was 11.3 in 1925, as compared with 10.3 in 1924, according to advices transmitted to Bankers Trust Company of New York by its British information service. This increase was mainly due to the severe depression in the coal mining industry, in which the numbers of insured workers recorded as unemployed averaged 198,000 in 1925 as compared with 72,000 in 1924.

Section 3
MARKET QUOTATIONS

Farm Products March 3: New York sacked Round White potatoes $4.15 to $4.35 per 100 pounds in eastern cities; mostly $3.80 to $3.85 f.o.b. Rochester. New York Danish type $55 to $70 bulk per ton in distributing centers; mostly $55 f.o.b. Rochester. New York Baldwin apples $3 to $4 per barrel in leading markets, Rhode Island Greenings $4 to $5. Best midwestern yellow onion varieties $2.50 to $2.90 sacked per 100 pounds in consuming centers.

Chicago hog prices closed at $13.70 for the top; bulk of sales $11.75, to $13.50; beef steers choice $11 to $11.65; heifers $7.25 to $10.75; cows, good and choice, $6.65 to $8.25; canner and cutter $3.75 to $4.75; vealers, medium to choice $10.50 to $14.50; heavy calves, medium to choice $6.75 to $9.25; fat lambs medium to choice $13 to $15; yearling wethers, fat ewes, common to choice, $5.50 to $9; feeding lambs, medium to choice $12.50 to $14.50.

Grain prices quoted March 3: No.1 dark northern Minneapolis $1.56 to $1.70. No.2 red winter St.Louis $1.72 1/2; Kansas City $1.62. No.2 hard winter St.Louis $1.67 1/2; Kansas City $1.60 to $1.64. No.3 mixed corn Minneapolis 62 1/2¢; Kansas City 66 1/2¢. No.4 mixed corn Chicago 65 3/4¢. No.3 yellow corn Minneapolis 67 to 71¢; St.Louis 72 1/2¢; Kansas City 67 1/2¢. No.3 white corn St.Louis 72¢; Kansas City 67 1/2¢. No.3 white oats Chicago 39 1/2¢; Minneapolis 36¢; St.Louis 40 3/4¢; Kansas City 39 1/2¢.

Closing prices on 92 score butter: New York 46¢; Chicago 43 1/2¢; Philadelphia 46 1/2¢; Boston 46¢.

Middling spot cotton in 10 designated spot markets advanced 30 points, closing at 18.30¢ per lb. New York March future contracts advanced 25 points, closing at 19.11¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Mar. 3,	Mar. 2,	Mar. 3, 1925
20 Industrials	144.44	147.06	125.25
20 R.R. stocks	103.20	105.42	100.96

(Wall St. Jour., Mar. 4.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XX, No. 53 Section 1 March 5, 1926.

NEW FARM BILL The Associated Press to-day says: "Farm relief, hovering in the background since Congress convened, was tackled in earnest by the House agriculture committee yesterday, when it began hearing the testimony of representatives of farmers in eleven middle Western States. In their opening statements the delegates repeated their indorsement of the Dickinson bill, which would establish a Federal farm board and assure the farmers adequate prices for their surplus crops by levying against them an equalization fee and placing it in a revolving fund. Under questioning by the committee, however, the witnesses said they favored a number of amendments and the committee then suggested that a new bill be drafted. The delegation promised to submit the rough outline of a measure to-day. The farmers' representatives, who included the committee of 22 appointed at the recent Des Moines conference, put in the afternoon and evening working out their plan in greater detail, members of the House committee having made it clear that they would require a practical explanation of any method of relief presented."

CAPPER PROPOSES "AGRICULTURAL DAY" The first Thursday in each year would be designated "National Agricultural Day," under a resolution presented yesterday by Senator Capper. (Press, Mar. 5.)

RECLAMATION LEGISLATION The Department of the Interior drafted a bill yesterday embodying a compromise agreement between the department and a group of western Senators for financial support for settlers on reclamation projects. The bill was prepared at the request of the western Senators, who declined to accept the department recommendations for State aid to settlers until it was shown the plan was feasible. Under the terms of the bill $500,000 will be appropriated out of the Federal reclamation fund for a three-year experiment in aiding settlers financially. (Press, Mar. 5.)

FOOD CORPORATION TO DISSOLVE The Associated Press to-day says: "A consent decree in the case of the Government against the National Food Products Corporation was entered into yesterday in the Federal court for the southern district of New York. The decree provides that the corporation shall dispossess itself of all its interests in shares of voting of various affiliated corporations. The corporation also is restrained from acquiring further control of corporations in similar lines of business, while officers and directors are perpetually enjoined from making use of their positions in such manner as to lessen competition between companies whose stock is held by the corporation."

THE STOCK MARKET The press to-day says: "Pictures of continuing prosperity throughout the country unimpaired by the troubles of the New York stock market were painted yesterday by both Andrew W. Mellon, Secretary of the Treasury, and Herbert Hoover, Secretary of Commerce. The Cabinet members were united in the belief that the decline of speculative values of stocks would have no effect on the actual business situation....."

Section 2

Canadian Agriculture

The Provincial Government of Alberta is cooperating with the Canadian Pacific Railway in a campaign for the inauguration of a more stabilized system of farming and one better suited to the Province, according to an official announcement of the Alberta Government in a Canadian Pacific bulletin. The railroad has turned over to the Government a first-class car to be used for lecturing and for carrying illustrative material, while a baggage car will carry a full supply of seed. A day will be devoted at each stop in the Province, where meetings will be arranged for the study of farm problems. (Press, Mar. 1.)

Corn Belt Agriculture

The American Review of Reviews for March contains an article by its editor incorporating the substance of a recent talk he had with George E. Roberts, banker and economist, on the agricultural situation in the Corn Belt. The article says: "....It might be difficult to find other lines of industry in which the value of the plant had increased more rapidly, in view of the quantity and value of the output, than is the case with agriculture. The inducement which rising land values have afforded to the constant expansion of farm acreage has inevitably tended to lower the prices of farm products, and lower the annual compensation of the farmer. It is inevitable that this should be so. Every factor which is a constant influence in the compensation of any occupation is bound to affect all of the other factors in that compensation. The efficiency of agriculture to-day is such that the country can readily produce supplies beyond the consuming power of existing markets, if sufficient inducements are brought to bear to stimulate a maximum farm output. Herein lies the difficulty with most of the proposals for Government aid to agriculture. Such artificial aid would have a tendency to bring more people into the business of farming, with more machinery and appliances for large production; and the consequences in the end would be detrimental rather than beneficial to farming interests as a whole. Viewing agriculture as a business of producing at a fair profit to meet an actual market demand, the less the Government interferes, the better off will be the industry...."

Cotton Production and Consumption

In the world consumption of cotton for industrial purposes France comes third after the United States and Great Britain, the total quantity used in French factories amounting to 300,000 tons per annum of which 95% have to be imported from foreign countries, principally from the United States. France's overseas possessions can become important purveyors of cotton for the metropolitan market but, up to the present time, cotton growing has not been sufficiently developed in the French colonies. According to advices received by the Bankers Trust Company of New York from its French information service, 6,118,000 kilos were produced in 1924 by French West and Central Africa, Madagascar, Guadeloupe, Indochina and New Caledonia, and in the same year Syria exported 4,000 tons cotton. The totality of this output however does not go to France. Indochina, for instance, whose yearly output is from nine to ten thousand tons, exports an average of only 2,000 tons of raw cotton, selling them in the Far East. The rest is consumed by the local spinning and weaving industry which moreover imports an annual average of 4,500 tons cotton fibre and of 2,500 tons of cotton thread, besides 6,000 tons of cotton fabrics which come principally from India and England. The cotton crop for 1925 in most of the French colonies is said to show a marked progress over the preceding year, but the only

official figures as yet available are those given by the "Association Cotonniere Coloniale" for the first nine months of 1925 for French Western Africa. The total quantity produced by Senegal, French Guinea, the Ivory Coast and Dahomey aggregated 1,100,000 kilos, a notable progress over 1924 being noted in the two last named colonies.

Electric Power Plan

An Associated Press dispatch from Atlanta March 4 says: "The Atlanta Journal, in a copyrighted story from New York, March 3 said that within the year electric power companies of this country will have established physical connections of their transmission lines to an extent that will make possible the interchange of power from one system to another throughout the eastern half of the United States. 'When these connections are complete,' the story said, 'it will be possible for power-generating stations on the Canadian border to come to the aid of the power-generating stations on the Gulf of Mexico, and vice versa. Thus the surplus power in Minnesota can be utilized to meet a shortage in Pensacola, Fla., and the surplus power in Danville, Va., can fill a shortage in South Bend, Ind.' The Journal interviewed Sidney Z. Mitchell, president of the Electric Bond and Share Company in New York, and obtained plans of this great country-wide distribution of electric power..."

Farm Changes

Elwood Mead, U.S. Commissioner of Reclamation, is the author of an article on "Rural Life in America," in The American Review of Reviews for March. In this he says: "The new era is changing the farmer into a business man. It is changing his habits and outlook on life. It is bringing back to the country an independence, a security, and interests that had been almost lost. Other changes are taking place. The man seeking to own a farm will not submit to the conditions endured by the pioneer homesteader. He will not live in a sod house. He must have schools for his children. The yearly cost of operating a Ford car is greater than the income of many a pioneer owner of 160 acres; but if we say to the farmer-born boy or girl, 'Your must make your choice between a Ford car and a farm,' they step into the Ford and go to the city. If we are to hold the right kind of people on the land, rural life has to be organized on a new basis. The farm must be cultivated with more science and skill. The farmer must have a better equipment, must have better tools and better stock, must grow higher priced crops that require intensive methods. We are beginning to think of the future, planting forests on the worn-out hillsides and introducing a crop program to make permanent the fertility of areas once despoiled. Through cooperation, the individual thinks less of himself and more of what concerns the common welfare. We are beginning to plan rural life as we are planning cities, and to organize communities as great industries are organized. It is a challenge to our altruism, and a task worthy of the attention of our ablest minds."

Grazing Legislation

An editorial in American Forests and Forest Life for March says: "....It remains for events to determine whether the Stanfield grazing bill, the most far-reaching anti-conservation measure in the history of the country, will make a successful showing or will be destroyed by its own political inflammability. The American people are slow to arouse, especially when a great public subject has been once settled. For more than two decades they have considered the conservation of their natural resources a settled policy of Government. The issue was fought out during the administration of Roosevelt, and the principles of conservation so clearly and definitely established that no political party has

since deemed it wise to suggest a deviation from those principles.... The Stanfield grazing bill is political dynamite. It is, in our judgment, a challenge to the right of the American people to say how their public lands, aggregating 350,000,000 acres, shall be administered.... The bill, if enacted, will not pass title to these vast empires of public lands, it will confer upon a small and special class of stockmen rights practically paramount to ownership with no responsibilities for the payment of taxes or assured protection of public interests...."

Herb Cultivation

The Estate Magazine (London) for February 26 presents an article on "A Drug-Herb Holding," which has been successfully operated in England by a woman. The author says in introduction: "A pleasant, indeed a delightful occupation, for the educated women is the cultivation of drug and flavoring herbs. Strange to say, this is a branch of horticulture that has always been neglected in this country, although when conducted with enthusiasm and intelligence it yields a comfortable living. Until about the middle of the war the English market had relied largely upon Austria-Hungary, Germany and France for drugs. Then, however, necessity compelled us to begin to grow our own, and since then drug-herb holdings have become a feature--though still an infrequent one--of the countryside. There are many drug-herbs including Belladonna, Henbane and Valerian, and, amongst a host of others, such delightful herbs as Angelica, Lavender, Mint and Sage. A woman grower of large experience makes the recommendation that it pays best to specialize in two or three species of the herbs and to grow these on a really large scale. 'Belladonna,' she said, 'Lavender, Mint and Parsley make a happy combination. All four,' she continued, 'are most profitable, but the Belladonna in particular.'...."

Rubber

Having let Great Britain do all the development work in the rubber fields other nations have no right to complain of the British rubber monopoly, says an editorial in Industrial and Engineering Chemistry, journal of the American Chemical Society, made public March 1. The journal also declares that the application of technical information obtained by the chemist would make possible the use annually of enough reclaimed rubber to replace 100,000,000 pounds of crude rubber, the product of 200,000 acres. The Journal says that years ago Britain foresaw the coming importance of rubber and took steps to insure an adequate supply. The other nations let them do it. America should take legitimate steps to break the monopoly providing for its own supply of crude and doing whatever is possible in chemical research to produce synthetic rubber. In the next four or five years there will be a shortage of 35,000 tons of rubber, the Journal says statistics indicate.

Wheat Pool Conference

The Grain Growers' Guide (Winnipeg) for February 24 says: "The conference of delegates representing the wheat pools of Western Canada, Australia and several of the American States, in St.Paul, last week, has quite naturally aroused widespread interest. It is perhaps the first international conference of farmer-owned organizations engaged in marketing one of the major crops. There have been many international conferences of various business organizations, and it is most encouraging that farmers from different countries have been able to organize their business to a point where they can confer intelligently upon their mutual problems. It is not egotistical to say that the chief benefit from the conference will accrue to the Australian and United States delegates,

because the Canadian pools are so much larger and so much better organized than any of the others. The Australian pools are of a voluntary nature, with a certain amount of State aid, and of a different character from Canadian pools. The various State wheat pools in the United States are comparatively small affairs, it being pointed out at the conference that the total amount of wheat which would be marketed by all the State pools put together in 1926 would be less than that marketed by the Manitoba pool alone, the smallest of the Canadian pools....The experience of our Canadian pools, however, is bound to have a very marked effect in stimulating and encouraging those who are engaged in the wheat pool movements in the United States and Australia. The greatest drawback which farmers' organizations in the United States have suffered from for many years is the multiplicity of organizations and the lack of co-ordination. In this respect Western Canada, in particular, has been singularly fortunate in the provincial character of its organizations and in having the Council of Agriculture for the coördination of their common activities....."

Section 3

MARKET QUOTATIONS

Farm Products Mar.4: New York sacked Round White potatoes $4 to $4.35 per 100 pounds in eastern markets; $3.75 to $3.85 f.o.b. Rochester. New York Baldwin apples 25 to 50¢ lower at $3 to $4 per barrel in leading markets and $3 to $3.25 f.o.b. Rochester. New York Rhode Island Greenings mostly $4 to $4.75. New York Danish type cabbage mostly $55 to $65 bulk per ton in distributing centers; shippers asking $60 f.o.b. Rochester. New York yellow varieties of onions $2 to $2.40 sacked per 100 pounds in the East; $2 to $2.15 f.o.b. Rochester.

Chicago hog prices closed at $13.90 for the top; bulk of sales $11.90 to $13.50; beef steers choice $10.85 to $11.50; heifers, good and choice $7.25 to $10.75; cows, good and choice $6.75 to $8.25; canner and cutter $3.75 to $4.85; vealers medium to choice $11 to $14.85; heavy calves, medium to choice, $6.25 to $8.25; stocker and feeder steers, common to choice, $6.75 to $9.25; fat lambs medium to choice $12.50 to $14.35; yearling wethers, medium to choice $9.25 to $12.25; fat ewes, common to choice, $5.50 to $9; feeding lambs, medium to choice $12.50 to $14.50.

Closing prices on 92 score butter: New York 45¢; Chicago 43¢; Philadelphia 45 1/2¢; Boston 45 1/2¢.

Grain prices quoted March 4: No.1 dark northern Minneapolis $1.55 to $1.67. No.2 red winter St.Louis $1.71 1/2; Kansas City $1.64. No.2 hard winter Chicago $1.63; St.Louis $1.64 1/2; Kansas City $1.48: to $1.64. No.3 mixed corn Minneapolis 64 1/2¢; Kansas City 66 3/4¢; No.4 mixed corn 65 1/2 to 67¢. No.2 yellow corn Chicago 75¢; No.3 yellow corn Minneapolis 69 to 73¢; St.Louis 72 1/2¢; Kansas City 67 3/4¢. No.3 white corn St.Louis 72 1/4¢; Kansas City 67 3/4¢. No.3 white oats Chicago 39 1/2¢; Minneapolis 36¢; St.Louis 40 1/4¢; Kansas City 39 1/2¢.

Middling spot cotton in 10 designated spot markets advanced 14 points, closing at 18.44¢ per lb. New York March future contracts advanced 19 points, closing at 19.30¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Mar. 4,	Mar. 3,	Mar.4,1925
	20 Industrials	150.76	144.44	123.26
	20 R.R. stocks	106.34	103.20	100.12

(Wall St. Jour., Mar. 5.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XX, No. 54 Section 1 March 6, 1926.

FARM SURPLUS PROGRAM The Associated Press to-day says: "A revised program designed to solve the farm surplus problem was submitted to the House agriculture committee yesterday by the group of middle western agriculture leaders who came to Washington to advocate the principles of the Dickinson bill. The farm leaders' suggestions were made at the request of the committee, and were intended to meet strong objections which have been raised in executive and legislative quarters to provisions in the Dickinson bill assessing an equalization fee against producers to provide a fund to offset losses on crop surpluses sold abroad. 'The recommendations embody every essential feature of the Dickinson bill,' said George N. Peek, chairman of the committee of 22 appointed at the recent Des Moines conference. 'They go further to the extent of providing an alternative method of raising the equalization fee for which the Dickinson bill provides.' A different view was expressed, however, by Chester H. Gray, Washington representative of the American Farm Bureau Federation, who, with Frank Evans of that organization's marketing council, and Chester Davis of the Illinois Agricultural Association, drafted the recommendations. 'The Dickinson bill is now only a memory,' said Mr. Gray. 'Mr. Dickinson, however, has done valuable service to American agriculture in presenting his bill and in calling attention to the deplorable state of agriculture.' The program, Mr. Gray explained, has three essential features. 'It would provide for the collection of the equalization fee for the financing of surpluses from the whole industry instead of from the producer alone,' he continued. 'It eliminates the objectionable feature of a direct assessment on the producer, and favors the American system of indirect taxation. It provides for the selection of a Federal farm board from a list of thirty-six candidates, three from each Federal reserve district, to be nominated by bona-fide farm organizations. From these candidates the President, subject to the consent of the Senate, is to appoint twelve who will constitute the board. The equalization fee under the proposed bill is to be collected either from the producer, the manufacturer or the distributor, with the idea that it will be absorbed by the whole industry from production to consumption.'

"F.W. Murphy, of Minnesota, told the House committee that the farm groups represented were unanimous in their support of the new proposals, and Mr. Peek remarked that for the first time in the history of farm legislation every important group except the National Grange had expressed, through its representatives, approval of such a proposal. 'I have asked the national master, L. J. Taber, to come to Washington to confer on the matter,' Mr. Peek added, 'and believe that he will favor it.'"

MUSCLE SHOALS Muscle Shoals would be turned over to the Department of Agriculture to be used for the benefit of farmers, under a substitute resolution for pending proposals to be offered by Senator Smith of South Carolina. (Press, Mar. 6.)

DUN'S REPORT Dun's report to-day says in part: "In trade circles the fact was stressed that the fundamental situation remains sound, with employment of workers and the public buying power holding at high levels, and that reports of burdensome supplies of goods are still the conspicuous exception."

Section 2

Bulb Business An editorial in The Florists Exchange for February 20 says: "From the Pacific Coast come two interesting comments on the Narcissus bulb situation which appear in this issue. One (the Tacoma newsletter from U.L.Lodge) reports optimistically upon the performance of bulbs grown and forced in the Northwest and hints at important discoveries as to the best methods of handling domestic stocks. The other, a communication from a bulb grower farther down the coast, questions the estimates upon which promises of next year's bulb supplies have been based, and in a sense echoes some of the thoughts expressed editorially last week. To-day, no less than in the past, it seems to be a case of 'pay your money and take your choice' as far as the bulb situation is concerned. One fact does seem significant, however, and that is that there has been forthcoming no further statement as to the accuracy of the figures on narcissus bulb plantings as advanced on November 16 and quoted in Secretary Jardine's decision. An early survey and a publication of the complete facts would be a boon to the bulb industry."

A communication from a California dealer in the same issue says: "Uncle Sam claims there are 150,000,000 narcissus bulbs planted in the States. Even if this were true at least 10 per cent are planted on private estates either for beautifying or for cutting. Another 25 per cent are in the hands of amateurs who have not the least idea of what a good bulb should be. Another thing is that this total given by Uncle Sam's experts includes all sizes, from mother bulbs down to the smallest of offsets. Under very favorable conditions 25 per cent of this total may be salable, which would amount to about 37,500,000. From where, may I ask, do the other 70,000,000 come from to supply the trade? As to the supply on the Pacific Coast, I do believe that we shall have to import from some eastern firms for years to come. I have at present my order book full of narcissus orders amounting to several hundreds of thousands, and no doubt somebody will have to get a few less than have been ordered, as they do not all want Paperwhites, of which there are some few left yet. Let us hope that the F.H.B. may see fit to allow some goodly numbers of planting stock to be imported so that we may increase our supplies. Also that we may get some inspectors who, in the first place, know what bulbs are, and, in the second place, know what causes bulbs to become diseased in transportation."

Business Conditions The Federal Reserve Bulletin for February says: "Trade and industrial activity in 1925 was in considerably larger volume than in 1924, and, when all lines of activity are taken into consideration, in larger volume than in any previous year. Nearly all the important industries were more active in 1925 than in the year before, and the largest growth was in the building industry and in the production of commodities required in the construction and equipment of new buildings. Demand for goods by consumers, both urban and rural, was sustained throughout the year and was reflected in a large volume of distribution of commodities, both at wholesale and at retail. The larger volume of sales by department stores was due to a relatively high level of employment in factories and in construction work, and the growth in the volume of business of mail-order houses and of sellers of farm implements to the increase in buying power of farmers resulting from better financial returns from farm operations during the past two years. The level of wholesale commodity prices, though it did not advance during 1925, was on the average for the year as a whole 6 per cent higher than in 1924 and higher than for any of the preceding four years, reflecting chiefly higher average prices of farm crops and livestock and of

commodities manufactured out of agricultural raw materials. The larger volume of production and trade during 1925 was not accompanied by a corresponding growth in the amount of bank credit used for commercial, industrial, and agricultural purposes, but there was a large increase during the year in the demand for loans on securities, and this increase, together with the demand for gold for export in the early part of the year, was an important factor in causing money rates to advance considerably from the exceptionally low levels prevailing in 1924."

Commerce and Agriculture The press of March 5 says: "The extension of the district and co-operative office service of the United States Bureau of Foreign and Domestic Commerce is proposed by the establishment of five additional offices in agricultural selections of the country. In order to permit of such extension a supplemental appropriation estimate of $60,000 has been submitted by the Budget Bureau. The total amount approved by the Budget Bureau for the maintenance of existing offices during the fiscal year 1927 is $280,818, an increase of $50,000 over the appropriation for the present fiscal year.....The establishment of offices in agricultural regions, it is declared, would be of material assistance in the disposal of surplus agricultural products in foreign markets."

Danish Farming An editorial in The Journal of the (British) Ministry of Agriculture for February says: "Comparisons between the farming methods of different countries are always difficult, and are almost bound to lack precision because of differences in the basic principles underlying practice. References to Denmark have been made almost time without number during the last forty years, because her agriculture has been regarded as so phenomenally successful. It may perhaps be said, however, that this country has not yet fully apprehended--in the sense of putting it into practice--the lesson that Denmark can teach. At a meeting of the Royal Statistical Society on 19th January, R.J.Thompson, C.B., read a paper in which he made some fresh comparisons between the productivity of British and Danish farming in an entirely novel way, and raised some very interesting and fundamental questions as to the reason for the marked difference which is believed to exist between the two countries. The conclusion arrived at by the statistical comparison is that the average output per 100 acres of agricultural land is over 50 per cent higher in Denmark than in Great Britain, after deducting the feeding-stuffs, seeds, and fertilizers which contribute to this production. The explanation of this high figure is stated to lie mainly in the fact that as compared with Great Britain, Denmark carries a heavier head of stock in combination with a high arable area, and by growing crops on this arable area feeds this stock to a greater extent from her own soil. This is combined with a higher yield per acre in the case of certain crops, with a larger yield of milk per cow and with a larger output of eggs and poultry....Apart from the question whether costs of production are really and effectively lower, Mr. Thompson thought that it is quite possible (1) that the Danish farmer produces on the average a higher grade of article, and thus obtains a higher price; (2) that by improved methods of marketing and organization he obtains a larger share of this price, thus securing a larger average return on his total production; and (3) that on the average he may be content with a smaller cash profit; or, alternatively, may be willing to work harder or more energetically to secure a similar return."

Farm Tenancy An editorial in The Breeders Gazette for February 18 says: "Despite the 'evils' of farm tenancy, the fact remains that many renters become farm-owning, anchored, substantial citizens in their communities. We note in the annual report of the Illinois Experiment Station that, according to an investigation, 'tenancy serves the direct purpose of helping part-owners and related tenants to become owners.' Prof. H.C.M. Case, whom we have just quoted, says that '60 per cent of the agricultural products of Illinois are produced by men who do not own the land that they operate.' The defects of the American system of landlord-tenant farming are largely those which the varying temperaments and ruling characteristics of owners and tenants create and maintain. There are all kinds of landlords and all kinds of tenants. When the right kind of man in one class happens to find the right kind of man in the other, each is benefited. Most of the best landlords are interested in making successful farm-owners of their tenants. Why doesn't some one work out a scientific system by which landlord and tenant who belong together could find each other?"

Flour Exports An editorial in Modern Miller for February 20 says:" Recent compilations definitely establish the fact that Canada in the past six months has forged ahead of the United States in flour export. The bread eating world is growing and the normal surplus of all wheat growing countries should be absorbed on some basis of profit to those who produce and manufacture. Shifts in production cause enlargements and decreases of normal supplies for world markets. A short crop in Canada throws the burden of supplies on the States, or a Southwest shortage puts Canada in a position to dominate. Normally both countries ought to export profitably. In the figures compiled, not yet ready for publication, we held our own in Cuba and China trade, and elsewhere we felt the shift from normal caused by crop shortage."

Meat Packing Scholarships The American meat packing industry will renew for another year the six scholarships established in 1925 in the Institute of Meat Packing at the University of Chicago for eligible men who wish to specialize in the study of meat packing, Oscar G. Mayer, President of the Institute of American Meat Packers, announced March 4. (Press, Mar. 5.)

Railroads and Trucks An editorial in Farm and Ranch for February 20 says: "Whether justified or not, the demand of railroad employees for another increase in wages totaling a half billion dollars is likely to prove a boomerang. Certainly the granting of this large increase will be followed by another demand for an increase in freight rates, and an increase in freight rates will bring into service a few more thousand trucks. High freight rates encourage the construction of hard-surfaced roads and the more good roads we have the less freight the railroads will have to haul and the fewer employees the railroads will need. The people of this country are sold on good roads and are spending hundreds of millions of dollars in construction and maintenance....There is a limit to the amount of money the people will pay for the transportation of their goods, and when that limit is reached they will provide other means. Railroad employees have other things to consider besides the wage scale. Their jobs, for instance."

Section 3

Department of Agriculture

An editorial in Modern Farming for February 15 says: "On February 8 the Department of Agriculture released a document headed 'The Agricultural Outlook for 1926.' In this and an accompanying supplement is given a summary of the 'positions' of the different crops and different classes of livestock. The conclusions seem to us eminently sound, and the pervading spirit of the review is one of conservatism if not of caution....Never before has the need of a well-balanced program of farming been so great. Never before has the issue been so squarely up to the farmer himself. He has come with fair profit through two good years; he has discharged many old debts and has not yet made many new ones; there is not upon him the imminent economic pressure which has often made previous diversification campaigns matters of hysteria. Not only is it up to him to choose, but there is time and the right atmosphere of unhurried calm in which to make the choice."

Section 4

MARKET QUOTATIONS

Farm Products

March 5: Chicago hog prices closed at $14 for the top, bulk of sales $11.75 to $13.50; beef steers $10.85 to $11.50; heifers, good and choice $7.25 to $10.75; medium and common $6 to $8.90; cows, good and choice $6.75 to $8.25; canner and cutter $3.75 to $4.85; vealers $11 to $14.75; heavy calves, medium to choice $6.25 to $8.25; stocker and feeder steers $6.75 to $9.25; fat lambs medium to choice $12.50 to $14.50; yearling wethers $9.25 to $12.25; fat ewes, common to choice, $5.50 to $9; feeding lambs, medium to choice $12.50 to $14.50.

Wisconsin sacked Round White potatoes 5 to 10¢ higher on the Chicago carlot market at $3.65 to $3.85 per 100 pounds and firm at $3.40 to $3.45 f.o.b. Waupaca. Delaware and Maryland yellow varieties $2.25 to $2.75 per bushel hamper in eastern markets. New York Baldwin apples 25 to 50¢ lower at $3 to $4 per barrel in leading markets and $3 to $3.25 f.o.b. Rochester. New York Danish type cabbage closed at $55 to $65 bulk per ton in most cities and at $55 f.o.b. Rochester. Florida pointed type $2.25 to $2.75 per 1 1/2 bushel hamper. Texas domestic type $65 to $90 bulk per ton in distributing centers; $35 to $40 f.o.b.

Closing prices on 92 score butter: New York 43 1/2¢; Chicago 42¢; Philadelphia 44¢; Boston 44¢.

Grain prices quoted March 5: No.1 dark northern Minneapolis $1.57 to $1.72. No.2 red winter St.Louis $1.74; Kansas City $1.67. No.2 hard winter St.Louis $1.67; Kansas City $1.60 to $1.65. No.3 mixed corn Minneapolis 63 1/2¢; Kansas City 68 1/2¢. No.3 yellow corn Minneapolis 69 to 72¢; St. Louis 73 1/2¢; Kansas City 69 1/4¢. No.3 white corn Minneapolis 36 1/4¢; St.Louis 41¢; Kansas City 40 1/2¢.

Middling spot cotton in 10 designated spot markets declined 4 points, closing at 18.41¢ per lb. New York March future contracts declined 6 points, closing at 19.24¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Mar. 5,	Mar. 4,	Mar. 5, 1925
20 Industrials	150.40	150.76	124.81
20 R.R. stocks	108.25	106.34	100.56

(Wall St. Jour., Mar. 6.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XX, No. 55 Section 1 March 8, 1926.

FARM RELIEF HEARINGS

An Associated Press dispatch to-day says: "Conferences among middle western agricultural leaders at Washington advocating farm surplus legislation and Members of Congress continued yesterday in preparation for the resumption to-day of hearings on farm relief bills by the House committee on agriculture. William Hirth, of Missouri, chairman of the Corn Belt committee, who testified Saturday at some length, is expected to be the principal spokesman for the group to-day before the House committee, which last week called upon the middle westerners to present their revised program of relief to meet objections raised against the equalization fee provision of the Dickinson surplus bill. As originally proposed, this provision would have been levied on the producers to provide a fund to offset losses or expenses in handling exports of crop surpluses. The farm leaders, in the face of administrative and legislative opposition to this scheme, have decided to get behind a proposal that the fund be raised through a levy at the point of processing the raw products. Under such a plan the fee on grain would be levied at the mill, on livestock at the packing house and on dairy products at the creamery. 'The question of the equalization fee has now become so simple that there ought not to be any further controversy about it,' F. W. Murphy, chairman of the board of the American Council of Agriculture, declared last night, predicting that the farm leaders will finish presenting their case by the middle of the week. Regarding the part of the tariff in any farm surplus relief measure, Mr. Murphy said the farm leaders had avoided it as controversial, feeling that 'only time will tell the part the tariff should play.'"

HIGHER BUTTER TARIFF ORDERED

The Associated Press dispatch March 7 says: "An increase in the tariff duty on butter ~~from 8 to 12 cents a pound was ordered~~ from 8 to 12 cents a pound was ordered March 6 by President Coolidge. The President acted under the flexible provisions of the tariff law on the recommendation of the Tariff Commission which advised him the higher rate was needed to meet Danish competition. The increase, amounting to 50 per cent, is the highest the President may order. The proclamation making the increased rate effective said the present duty does not equalize the differences in cost of production in the United States and Denmark. The Tariff Commission had the question under investigation for two years."

FARM "RADICALISM"

An Associated Press dispatch from New York to-day says: "Radical tendencies among farmers--once the backbone of American conservatism--reflects a serious economic maladjustment which, unless checked, must eventually adversely affect the national business structure, according to the National Industrial Conference Board. A report issued yesterday upon the result of a year's investigation declared the contrast between the agrarian swing toward the left to be 'one of the most significant reversals in the political life of the United States' and 'curiously contrasts with the increasing conservative trend of our urban population.' The board, supported by manufacturing, mining, transportation and public utility industries, asserted that its sponsors must study and understand the problem of the farmer because farm production is closely woven in the national economic structure...."

Section 2

Agricultural Legislation

An editorial in The Journal of Commerce for March 5 says: "Recent reports from Washington are to the effect that a number of alleged representatives of the farmers of the country expressed satisfaction after long conversations with the President and the Secretary of Agriculture. It is, of course, not known just what these officials had to say on the subject of agricultural problems, but it may be taken for granted that their callers received a cordial and sympathetic hearing. Although it is well known that the President is strongly opposed to some of the plans that have been on foot for the alleged benefit of the farmer it is highly probable that he was able to say quite sincerely to them that he was doing all that he felt that he could to aid them in every possible way and that he would gladly use all his influence to this end during the next month or two. Yet the limitations imposed upon the President by his own views and particularly by the situation existing at this time in Congress, without doubt rendered it out of the question for him to promise the reforms that the farmers of the land would, if they were wise, be demanding in no uncertain tone. First, and foremost, there is such a welter of measures, proposals and plans for the aid of the farmer, and so little uniformity or consistency in these projects that any very positive action during this session of Congress seems at the present writing to be distinctly unlikely. Moreover, nothing that has the serious attention of Congress at this time goes to the heart of the difficulties being experienced by the agricultural producer."

Bread Consumption

An editorial in Modern Miller for February 27 says:"Mr. George J. S. Broomhall, of Liverpool, under date of February 16, writes to the editor of Modern Miller: 'The flour trade in this country is in a very sick state--almost at the point of death. People are certainly eating less bread, the very poor, of whom there are many, have to go a little short and the well paid operative now indulges in a more varied diet and needs less bread.' Mr. Sydney Anderson, in a recent statement to the editor of Modern Miller, says he is firmly convinced there has been a slump in bread consumption--a definitely less amount. These observers have not reached these conclusions hastily. Both Mr. Broomhall in the United Kingdom and Mr. Anderson in the United States, as independent observers, have expressed like views. It is worth the attention of the manufacturers of flour to determine the cause. An important question affecting the welfare of the industry is, why is this so?...Mills the world over find a condition in flour trade hard to explain. In the United States there has been a short potato crop and no great food surplus as compared with former years. Such abnormal conditions may right themselves, or they may indicate an economic change that will have to be reckoned with. But from two such important observers we are given views, which, we are sure, the trade will find of rare interest."

British Youth for Canada

Crystallization of the plan of arranging Canadian farm careers for British youths, through the cooperation of the Canadian Pacific Railway and the Macdonald Agricultural College at Ste. Anne de Bellevue, is announced in a railway bulletin, which says that as a result of the successful trial of the project a party of twenty-five boys will leave England in March to receive a brief training in farm rudiments at Macdonald College, and then go into employment on selected farms. (Press, Mar. 5.)

Florida Production

An editorial in The Florida Times-Union for March 2 says: "An editorial in the Chicago Tribune of recent date, under the heading, '1,800 Miles from Cow to Baby,' began with this paragraph: 'A tank car filled with fresh milk at Marshfield, Wis., on Wednesday arrived in Miami, Fla., on Saturday. The milk was in perfect condition. Soon it is announced, ten of the new kind of tank cars will be in service between Wisconsin and Florida. The tanks are glass lines and equipped with refrigerating machinery and a device to keep the cream from separating.' The second paragraph began with this assertion: 'Cows do not thrive in Florida.' What will be Florida's answer in these two instances? To the statement that 'Cows do not thrive in Florida,' the answer is easy and can be made in few words---that the writer of the words quoted is in need of enlightenment, to the effect that cows do thrive in Florida, as is proved in thousands of instances. In the matter of the fact that milk is being shipped from Wisconsin to Florida the answer is not so readily possible of being made, for it is an undisputed fact that Florida does not produce nearly enough milk to supply its own people, not considering the large number of visitors who come here every year. In consequence, milk, and dairy products generally, must be imported. Florida people alone are to blame for the milk, or dairy, situation in this State. It will be noted that the responsibility is placed on Florida 'people,' and not exclusively on farm owners and operators. The latter, in a very large sense, are the ones who must provide the cows that produce milk. But are enough such farm owners properly encouraged to invest money in first-class dairy cattle, in order that sufficient quantities of milk may be produced? Are they justified to invest the necessary money in dairy cattle while tick infestation is permitted to continue, putting their herds in jeopardy? Admitting the good work that has been done, in sections, for eradication of cattle ticks, it also must be admitted that this work is ineffective so long as it is not accomplished throughout the entire State. Failure to eradicate the cattle tick in every county in Florida is costing the State millions of dollars annually, and will continue as long as cattle ticks are permitted to remain in the State or in any considerable portion thereof. That, largely, is why milk is being shipped into this State by carloads and trainloads.....Considering that Michigan and other States of the far-off North are supplying Florida with milk, that Chicago is sending to this State carloads of beef and bacon, that Detroit is shipping trainload after trainload of motor cars, that Grand Rapids sends us furniture, and that Tennessee and Georgia are continuing to send us great quantities of poultry and eggs, it can not be long before in Florida it will be possible to enjoy perfect bliss--with nothing to do but to buy and use and pay for the things our good friends in other States are sending us, always gratefully, and in such abundance. What is to be Florida's answer, not only in the matter of milk production, but, also, in the matter of various manufactured products and commodities?"

Food Mergers

An editorial in The Baltimore Sun for March 6 says: "The Government's opposition to a combination of corporations dealing in food supplies under a holding company organized by the National Food Products Corporation has resulted in dissolution of the merger under a consent decree. The corporation is estopped thereby from acquiring competing companies or from dominating their policies by joint directorship or otherwise. Notwithstanding the change in public attitude in recent years toward combinations in business which promised economies by reason of large-scale operations, the craze that has sprung up for formation of bigger and

bigger corporations, sweeping into a few hands control of businesses involving hundreds of millions of dollars and stretching over many States, has been followed with manifest uneasiness. The argument that bigness means cheaper products, apparently sound in theory, has not allayed this unrest. A public in open arms against being standardized and regimented by the National Government has viewed with concern proposals to take over and dominate private businesses and industries the proper management of which intimately affects the general welfare. Combinations which seek unregulated control of food supplies have come in for particular attention. The housewife has some defense against a bakery combine and certain others which seek control of comestibles. But there is room to question if the larger they become the more efficient and the more economical their operation. If not, they have no excuse for being at all....."

Rural Exodus "Increasing population of cities from rural districts, it was shown March 5, is causing an increase of the per capita tax in both cities and rural communities, in the country because there are fewer persons to pay fixed charges and in the cities because increased services are performed for a greater number of citizens. The increasing tax tendency was shown in a report written by Donald H. Davenport of Columbia University for the New York State Commission of Housing and Regional Planning. It asserted that to consolidate smaller counties of New York so that one group of officers could serve instead of several would cut taxes up-State." (N.Y.Times, Mar. 6.)

Wheat on Farms An editorial in The Wall Street Journal for March 5 says: "Wheat on farms March 1, according to the estimates of all the crop experts, totals less than 100,000,000 bushels. This compares with 112,000,000 bushels a year ago. The supply position suggests that with ordinary milling and export demand our supply of wheat at the end of the season should be far below what is considered a reasonably safe carryover. That should make the market this spring peculiarly susceptible to factors affecting the new crop. By way of comparison, this is the first time since 1895 that the farm supply of wheat on March 1 has been as low. Our population has increased 60 per cent since then, so on a per capita basis 100,000,000 bushels of wheat in 1895 would require 160,000,000 as an offset now. Estimates made by the different crop experts averaged 89,000,000 bushels as the farm supply of March 1 of this year. The estimate of B.W. Snow was the largest, at 96,000,000 bushels. Taking his figures, the total supply of wheat on July 1, 1925, was 764,000,000 bushels. This includes the official estimate of crop, farm and elevator stocks, visible supply and net imports....The figures certainly show a small supply, but to make a bullish situation it must be complemented with a demand for domestic consumption and exports. Flour business is slow and exports have been small. The European financial situation is such as to discourage import business. But with that small supply, it is certain that only a slight increase in demand will be necessary to make the market peculiarly susceptible to the crop outlook. If the supply actually is as small as the figures indicate, the force of it should begin to be felt before the end of April, and from that time on the new crop will be a source of anxiety to the trade."

Section 3

MARKET QUOTATIONS

Farm Products For the week ended March 6: Cattle receipts at seven large midwestern markets for the week were around 20,000 larger; calf receipts numbered around 30,300 more, hog receipts were approximately 35,000 less and sheep receipts around 20,000 more, compared with a week ago. Compared with the same period a year ago cattle receipts showed an increase of around 7,500 head, calf receipts were slightly greater, hogs were about 10,000 short and sheep about 50,000 greater.

Northern potatoes firm; eastern stock nearly steady. New York sacked Round Whites mostly $4.15 to $4.35 per 100 pounds in eastern markets; $3.85 to $3.90 f.o.b. Rochester. New York Baldwin apples slightly weaker at $3 to $4 per barrel in leading markets; $3 to $3.25 f.o.b. Rochester. New York Danish type cabbage closed at a range of $55 to $68 bulk per ton in eastern markets; few sales at $55 f.o.b. Rochester. Onions dull. Best midwestern yellow varieties ranged $2.25 to $3 sacked per 100 pounds in consuming centers; $2.25 to $2.40 f.o.b. Warsaw, Indiana.

Grain market slightly easier. Wheat around 4 to 5 cents lower than week ago in sympathy lower foreign markets. European demand disappointing. Cash wheat not following full decline in futures account more active milling demand. Corn futures around two cents lower than week ago but lighter receipts forcing narrower discounts and cash prices practically same as week ago. Oats fractionally lower. Cash demand exceeding current arrivals but commercial stocks still large. Quoted March 6: No.1 dark northern Minneapolis $1.57 to $1.72. No.2 red winter St.Louis $1.73. No.2 hard winter St.Louis $1.67. No.3 mixed corn Minneapolis 64 1/2¢; No.4 mixed corn Chicago 67 3/4¢. No.3 yellow corn Minneapolis 70 to 73¢; St.Louis 72 1/2¢. No.3 white corn St.Louis 73¢. No.3 white oats Chicago 39 1/2¢; Minneapolis 36 1/4¢; St. Louis 41¢.

Average price of Middling spot cotton in 10 designated spot markets declined 13 points during the week, closing at 18.44¢ per lb. New York March future contracts advanced 1 point, closing at 19.27¢.

Butter markets were steady early in the week ending March 6, but weakened decidedly at the close. Consumer demand was fair but there were some accumulations. The foreign situation was weaker with prices at Copenhagen 3 cents lower. Closing prices on 92 score: New York 42 1/2¢; Chicago 41 1/2¢; Philadelphia 43 1/2¢; Boston 43 1/2¢.

Cheese markets were unsettled and weak with prices declining 1 to 1 1/2 cents at the cheese board meetings on March 5. The weakness was due largely to the increased receipts, the surplus of cheese in storage and prospects of seasonal declines. Wholesale prices at Wisconsin primary markets on March 5: Single Daisies 21 3/4¢; Longhorns 21 1/2¢.

Hay market irregular with prices governed by local conditions. Poor hay finding limited outlet but good hay ruling practically steady. Timothy and prairie slightly easier but alfalfa firm. Quoted March 6: No.1 timothy - Boston $26.50; New York $27; Pittsburgh $26.50; Cincinnati $24; Chicago $23; St.Louis $25.50; Kansas City $19; Memphis $28; No.1 alfalfa - Kansas City $22.50; Omaha $19.75; Memphis $30.50. No.1 prairie - Kansas City $14; Omaha $14.50; Chicago $17; St.Louis $19.50; Minneapolis $14. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Mar. 6,	Mar. 5,	Mar. 6, 1925
	20 Industrials	149.86	150.40	125.68
	20 R.R. stocks	107.93	108.25	100.75

(Wall St. Jour., Mar. 8.)

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DAILY DIGEST

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Vol. XX, No. 56 Section 1 March 9, 1926.

FARM RELIEF PROGRAM

The Associated Press to-day reports: "The middle western farm delegation and the House agricultural committee, with whom they have been conferring, appear to be making progress toward a farm relief program. It was indicated last night that the bill being written by experts of the Congressional legislative drafting service probably would retain these two central features: A national Federal farm board with authority to solve crop problems through the farmers' cooperative organizations. An equalization fee--collected from the manufacturer, processor or exporter, but deducted by them from the price paid the farmer--to provide a fund to insure adequate prices for surplus crops. Whether the measure will contain drastic tariff provision, empowering the President to declare an embargo on any crop, has not been determined. Chairman Haugen of the agriculture committee has declared a relief bill would be useless without such a clause."

MUSCLE SHOALS BILL

The press to-day states that Congress yesterday approved appointment of a joint committee to negotiate bids for private leasing of Muscle Shoals. A resolution drafted to carry out a recommendation of President Coolidge and already adopted by the House was accepted by the Senate, 51 to 26, and sent to conference. The Senate added two amendments. One, by Senator Caraway, would require that surplus power developed at the big wartime project be distributed equitably to States adjoining Alabama. The other, by Senator Lenroot, would give the proposed joint committee until April 26 to submit a proposal to Congress for lease of the project, instead of April 1, as voted by the House.

AGRICULTURAL MACHINERY PRICES

Under the terms of a resolution introduced yesterday by Senator Sheppard, the Tariff Commission would be directed to report on prices to retailers of certain agricultural machinery and implements. (Press, Mar. 9.)

HOOVER ADVOCATES NEW SHIP BOARD

The press to-day states that Secretary Hoover yesterday severely criticized the system under which America's merchant marine is operated and urged the necessity of a complete reorganization before it can become a success. Appearing before the House merchant marine committee, considering a bill by Representative Bacon of New York, to coordinate Federal shipping activities, the Secretary of Commerce emphasized the importance of direct responsibility to the President by those in charge of the merchant marine and declared a lack of it was the cause of the difficulties attending operations of the Shipping Board. He suggested an advisory board to the President on shipping matters to consist of persons chosen from geographical regions to represent merchants, manufacturers, farmers and shipping people.

Section 2

Agriculture in the Northwest

C. S. Garnell, jr., of Minneapolis, writing in The Commercial and Financial Chronicle for March 6 says: "The financial structure of the Ninth Federal Reserve District is, to a large extent, founded upon the agricultural activities of that district and, in the main, the fluctuations of business throughout the territory are predicated upon the agricultural situation.....Business interests in the cities of the territory, for years synchronized with the success or failure of farm crops, have cast about for a dependable solution for regulation and stabilization of annual income. Progressive movements by civic bodies and intense educational campaigns have led the march toward diversified farming and, with the help of Federal agencies, the farmer has been financed in the purchase of livestock and dairy herds. A realization of the necessity of such diversification has hastened the development, and the business structure of the Northwest to-day presents a vastly different aspect than that of ten years ago....That this agricultural renaissance has already brought its reward is indicated, not only through better conditions generally, but in localities which have been traditionally questionable, by the position of banks, merchants and of individuals. It has made for a healthy development at a time when the Nation as a whole is enjoying prosperity, lending thereby a doubly valuable lesson in favor of conservatism and caution in farm management."

Biological Stains Produced in America

The New York Times of March 8 says: "American scientists no longer have to depend on Germany for the important biological stains so necessary and essential in the diagnosis of disease and in biological research work. Five years of collaboration between approximately sixty American scientists and chemists in domestic dye laboratories, according to information obtained in an authoritative quarter March 7, have resulted in the establishment on a firm basis in this country of a biological stain industry capable of supplying all the important stains used in the microscopic study of disease. This cooperative effort by American scientists and dye chemists--undertaken since the close of the World War and following seizure by this country of the German chemical patents--has resulted in creating this industry under supervision of the Commission on Standardization of Biological Stains, steps toward the organization of which were taken after the war when dependence of American scientists upon German stains reached an acute stage. Dr. H. J. Conn of the Agricultural Experiment Station at Geneva, N.Y., chairman of the executive committee of this commission, has informed the commission it can now safely claim that it has made a 'distinct contribution to science,' in effecting this establishment."

Canada's Farm Tools

That the farming implement business of Canada has kept step with the progress of the Dominion as a farming country is asserted in a bulletin of the Canadian Pacific Railway showing that the manufacture of such machinery is in a better position than at any time since 1920, that sales in Canada increased from 60 to 75 per cent in 1925, and that the export trade grew accordingly.

Cotton Delivery at Atlanta

An Atlanta dispatch to the press of March 8 states that Atlanta cotton merchants, business leaders and bankers have started a movement to have that city declared the official delivery point for cotton in the Southeast, comparable to Houston as the delivery point for cotton in the Southwest.

Dairying Business An editorial in The Pacific Dairy Review for February 25 says: "The dairy business may not be a get-rich-quick game but the man who plays it has the satisfaction of knowing just about what he is going to get out of it, and he finds this out from day to day. As a stabilizer there is nothing in the realm of agriculture equal to it. This is the thought brought out by a statement issued by E. E. Kaufman, statistician of the California Crop Reporting Service. In 1921 he points out that fresh deciduous fruits in the State averaged approximately $90 per ton. By 1923 this average dropped to less than $50 a ton to those growers who were lucky enough to find any market at all, a fluctuation of one hundred per cent. Contrasted with this showing is the fact that a ton of butter-fat when made into dairy products from whole milk was about $1,600 in 1921. In 1923 it was about $1,750, an advance of 10 per cent, but showing a narrow range of fluctuation. Running a dairy may be a steady grind but its monotony is lost in the steady income of cash."

Dairy Products Exports from the United States of dairy products and eggs last year were valued at $12,476,895, an increase of $356,010 over the year before, while imports rose from $37,102,445 to $37,816,588. The figures, compiled by the Commerce Department, showed a marked reduction in exports of butter, eggs and egg products, while cheese more than doubled 1924 exports. Imports of butter dropped more than 12,000,000 pounds, while imports of cheese, milk, cream, eggs and egg products increased. (Press, Mar. 8.)

Freight Rates A Chicago dispatch to the press of March 8 says: "That adequate transportation in the western district of the United States can not long be maintained without an increase in revenues, and that the practical and logical method to accomplish a larger revenue return is by an increase in freight rates, are the general conclusions reached by counsel of the principal western carriers in a brief forwarded to the Interstate Commerce Commission as part of the carriers' application for increased revenue. Agricultural products and livestock form about 30 per cent of the revenue freight in the whole district, the brief states, and carriers most largely dependent upon this character of traffic are in relatively the grestest need of increased revenues. Referring to the matter of advances and reductions, the railroads state the important farm commodities have already received preferential treatment, and that the farm groups have failed to show how other shippers can successfully assume the share which the agriculturists and the ranchmen would ordinarily have to contribute to the maintenance of an adequate transportation system."

Fruit Merger A New Orleans dispatch to the press of March 8 states that a $50,000,000 merger of the Vaccaro and allied interests has been worked out. The merger includes Standard Fruit and Steamship Company, Mexican-American Fruit and Steamship Company, Bragman's Bluff Lumber Company, Inc., and some of the smaller enterprises with which the Vaccaros have been identified. The new concern, which will be named the Standard Fruit Company, will be one of the largest banana producers in the world and will have railroad, steamship, sugar, timber, coconut and other properties in six Latin-American countries. Plantations of the Standard are in Honduras, Nicaragua, Mexico, Panama, Cuba and Jamaica.

Stock Average A New Haven dispatch to the press of March 8 states that Professor Irving Fisher's index number of weekly Stock Exchange prices, based on the average for January, 1925, as 100, is 140 for the past week. This compares with the revised figure of 151.5 for the week before, 152.2 two weeks before, 154.6 three weeks before and 155 four weeks before. The highest point reached thus far in 1926 was 155 for the first week of February; this week's average is the lowest. The revised average for the full month of February is 153.3, which compares with 149 for January, 144.5 for December and 143.2 for February. The average for February is higher than any reached during 1925.

Tariff and Farm Prices An editorial in The Washington Post for March 7 says: "Discussing the farmer and the tariff, a representative from Oklahoma quotes from an editorial in The Post under date of January 3 and says: 'But The Post admits that the tariff does not help the farmer with his products, and says: "A tariff, primarily, has nothing to do with domestic prices, except in so far as it reduces or increases the competition in the home markets through imported competitive products."' The Post contends that a tariff helps the farmers just as it helps industrialists or manufacturers; by reducing competition in the domestic markets. This brings into action in the domestic markets the full effect of supply and demand, without the interference of large importations of competitive products. The operation of a tariff on wheat and corn is precisely the same as on pork, beef, lamb and other meat products; yet the prices of some grains have declined while the prices of meat products have advanced. This is proof that a tariff primarily has nothing to do with prices. But a tariff prevents unfair competition in the domestic markets, due to large importations."

Tariffs An editorial in The Wall Street Journal for March 8 says: "When a vessel recently from a Canadian port carrying a total of 1,168 cattle on its five decks, the event attracted no attention. It was intimately connected with our tariff policy. It might even raise the question as to whether or not our future welfare, regardless of the past, is bound up in a complete adherence to that policy. Formerly Canada sent cattle to the United States, mostly 'stockers' and 'feeders' to be made into beef. But since enactment of the Fordney-McCumber tariff law that country has been obliged to seek new markets for its unfinished cattle. It found them right where we had been sending most of our own finished beef--the United Kingdom. Since then the Canadian trade in live cattle has been rapidly increasing; in the past two years it has doubled--at our expense. That it will continue to increase there can be little doubt. Canada is a rapidly growing agricultural country populated by men presumably as energetic as those of the United States. That country does not produce corn in any considerable amount, something essential for the best beef. The starting out of this new steamer, with the building of three more like it for a cattle company, shows what is coming in the near future. Our foreign trade in beef, now waning, will receive still greater competition....There are some other things to be considered. Manufacturers in Massachusetts turn hides into shoes, of which Canada buys many pairs. She also buys cotton, both raw and manufactured, in considerable quantities. From the grapefruit of California to the cranberries of New Jersey, Canada buys foodstuff from us. Throughout the list of our manufactured goods Canada buys far more from us than we from her. The United States now is seriously competing for world trade. With all these facts in mind here is a simple question. We produce a certain raw

material, process it and export a small part of the result. Another country, an important customer of ours, produces the same and exports it raw to one of our principal markets for the finished material. Should we, or should we not, buy that raw material and process it?"

Section 3
MARKET QUOTATIONS

Farm Products March 8: Chicago hog prices closed at $13.75 for the top, bulk of sales $11.60 to $13.25. Beef steers choice $10.75 to $11.50, heifers, good and choice, $7.25 to $10.75; cows, good and choice, $6.75 to $8.25; canner and cutters $3.75 to $4.35; vealers, medium to choice, $11 to $14.75; heavy calves, medium to choice $6.25 to $8.25; stocker and feeder steers $6.75 to $9.25; fat lambs medium to choice $9.25 to $12.25; yearling wethers medium to choice $9.25 to $12.25; fat ewes, common to choice, $5.50 to $9; feeding lambs, medium to choice, $12.50 to $14.50.

New York sacked Round White potatoes mostly $4.15 to $4.35 per 100 pounds in eastern cities; $3.85 to $3.90 f.o.b. Rochester. Wisconsin sacked Round whites $3.75 to $3.90 carlot sales in Chicago; $3.50 to $3.55 f.o.b. Waupaca. Maryland and Delaware yellow sweet potatoes firm at $2.25 to $2.75 per bushel hamper in eastern markets. Texas domestic type cabbage declined $10 to $15 in leading markets to $65 to $90 bulk per ton and to $35 f.o.b. Florida pointed type slightly weaker at $2.25 to $2.75 per 1 1/2 bushel hamper. New York Baldwin apples slightly weaker at $3 to $4 per barrel in terminal markets; $3 to $3.25 f.o.b. Northwestern extra fancy Winesaps $2 to $2.65 per box.

Closing prices on 92 score butter: New York 43 1/2¢; Philadelphia 44¢; Boston 44¢; Chicago 42¢.

Grain prices quoted March 8: No.1 dark northern Minneapolis $1.56 to $1.71. No.2 red winter St.Louis $1.73; Kansas City $1.68. No.2 hard winter St.Louis $1.67 1/2; Kansas City $1.63. No.3 mixed corn Minneapolis 64¢; Kansas City 67 1/2¢; No.4 mixed corn Chicago 67 1/2 to 69¢. No.2 yellow corn Chicago 90¢. No.3 yellow corn Minneapolis 69 to 72¢; St.Louis 71 1/2¢; Kansas City 68 3/4¢; No.3 white corn St.Louis 72 1/2¢; Kansas City 68 3/4¢. No.3 white oats Chicago 40 1/4¢; Minneapolis 36¢; St.Louis 41 1/4¢; Kansas City 40 1/2¢.

Middling spot cotton in 10 designated spot markets advanced 2 points, closing at 18.46¢ per lb. New York March future contracts declined 7 points, closing at 19.20¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Mar. 8,	Mar. 6,	Mar. 7, 1925
20 Industrials	150.10	149.96	124.98
20 R.R. stocks	107.00	107.93	100.24

(Wall St. Jour., Mar. 9.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XX, No. 57 Section 1 March 10, 1926

MEREDITH PRESENTS RELIEF PLAN The Associated Press to-day says: "Farm relief delegates from the Middle West had an intermission yesterday in the presentation of their case to Congress, and heard Edwin T. Meredith, who was Secretary of Agriculture under President Wilson, outline a new relief plan to the House agriculture committee. Mr. Meredith suggested a bill to establish an agricultural stabilization commission, which would guarantee the farmers a minimum price on wheat, corn, sugar, cotton, butter and wool. These prices would be 'changed up and down each year to influence more or less production of a given crop as the demand or lack of demand may make advisable.' The commission would buy any surplus and dispose of it or store it, but Mr. Meredith explained that the purpose of the plan was to prevent surpluses by stabilizing agriculture through supply and demand and incentive. To bear the expenses of possible losses in the minimum price guarantee, or in handling the surplus, an excise tax of one-half of 1 per cent of the estimated value of each crop annually would be assessed against the farmers. He termed this an 'insurance tax.'"

DEPARTMENT INFORMATION The present service of the Department of Agriculture in the acquisition and diffusion of information regarding agriculture would be expanded into the foreign field, under a bill presented yesterday by Senator McNary. (Press, Mar. 10.)

COOPERATIVE MARKETING BILL The Senate agricultural committee is expected to report favorably to-day on the Department of Agriculture cooperative marketing bill, already passed by the House, according to the press.

"TRUTH-IN-FABRIC" BILL The press to-day states that a favorable report was ordered yesterday by the Senate interstate commerce committee on the "truth-in-fabric" bill sponsored by Senator Capper. Under the measure clothing containing any percentage of cotton mixed with wool would have to be plainly labeled.

TARIFF COMMISSION INVESTIGATION The Associated Press to-day says: "The first step in the long heralded investigation of the Tariff Commission was taken yesterday when the Senate adopted the Smoot resolution requiring the commission to produce its minutes. At the same time, Senator Robinson served notice that he would call up his resolution to-day authorizing an investigation of the operations of the flexible tariff provision. This proposal is favored by administration Republicans, members of the commission itself, and the Democrats....."

Section 2

Agricultural Legislation

An editorial in Successful Farming for March says: "About the worst thing that can happen to agriculture is the hasty enactment of relief legislation that may be only of a temporary or emergency nature. Such legislation may block for years to come the creation of an agricultural policy that would be of lasting benefit. It is easier to get an emergency law on the statutes than it is to enact a far-reaching policy... If hasty farm legislation is secured to meet the emergency Congress will say 'We've got you fixed, now run along and don't bother us any more.' But there has been nothing done to prevent an occurrence of the emergency they have met. What we need is an agricultural policy that looks far ahead so that emergencies may seldom occur. What agriculture needs is stabilization. Transportation is getting it. Manufacturing is getting it. Labor is getting it. Finance is getting it. Not one-hundred per cent stabilization; that would mean stagnation, but cut-throat methods of transportation, of manufacture, of labor and finance have been largely done away with, partly by law and partly by education and cooperation. If farmers try to eliminate cut-throat competition with one another by joining cooperatives and pools they find that these cooperatives and pools are competing. It is a mad scramble to get a favorable price in the markets. Organizations fight and malign other organizations. No emergency legislation can do much for the relief of agriculture now. It better be a well-thought-out policy for the future than a makeshift for a condition from which it has about recovered. Therefore let the debate go on. Let the proposed plans have real thought."

Automobile Sales

Over three billion dollars worth of new automobiles were sold on the instalment plan during 1925, it is brought out in a survey prepared for the American Bankers Association Journal by C. C. Hanch, general manager of the National Association of Finance Companies. On the average 75½ per cent of all motor vehicles are sold on credit, he says, about $2,000,000,000 representing the total amount of deferred payments on new cars on which there were total cash down-payments of $1,000,000,000. The total deferred payments on used cars, he says, was $900,000,000, and he estimates the total amount of automobile paper outstanding at a given time at a billion and a half. "So far automobile paper has been sound," Mr. Hanch says. "The loss ratio has been very small, and banks have had satisfactory experience with the paper of automobile finance companies. Any tendency toward low down-payments and long time would be the worst thing that could happen in the automobile business. For a number of years automobile finance companies have had a fairly well established 'yardstick' relative to terms of payment. This is one-third down, balance in twelve equal monthly payments on new cars, and 40 per cent down with twelve equal monthly payments on used cars....."

Cooperation in South Africa

An editorial in The South African Cotton Growers' Journal for February says: "In our last issue we published in full the report from the Secretary of Agriculture, Pretoria, regarding the scheme of General Kemp to help the farmer by means of a general fund. The concluding paragraphs thereof contain a great deal of controversial thought. It is suggested that the Minister will not introduce legislation against the wish of the farmers. Yet the farmers are asked whether they will support the Minister when the required Parliamentary Act is brought up for discussion, in the House of Assembly, so that the Minister can feel he is speaking 'on behalf of the farmers.' The useful little document referred to concludes by exhorting the farmers to support the project and savors of an advertising

memorandum with its hectic phraseology. The inherent thought throughout the 'propaganda' is the seeking of 'prior' support to a project which, to our minds, is not only unnecessary as propounded, by which has already been decided upon by those desiring the scheme. We have been thoroughly drilled into the idea that the present Government is going to support cooperation by hook or by crook, doubtless because those in authority are firm believers in the principle. Yet surely they should be sufficiently optimistical regarding the benefits of cooperation to feel that the idea will be self-appealing without all this compulsion. When will our legislators realize that regarding matters affecting the method of operation of individuals they are treading on dangerous ground. We call to mind the genuine and merited disapproval of the suggestion that cooperative marketing of the cotton crop should be enforced by legislation. One hesitates to support a project whole-heartedly which means the introduction of legislation resulting in the compulsion of farmers, whether they be cotton growers or anything else, to market their crop according to regulations and equally so do we deprecate the necessity for legislation regarding the proposed scheme for financially assisting the farmer through some measure of 'insurance.' There is of course a great deal of good in the principle of the idea mooted. Indeed we are of the opinion that the thanks of the farming community will go out to General Kemp if they are able to obtain assistance when required through the proposals referred to. Yet this idea of compelling even one who may not be in accord with the scheme is unworthy of the brains that promulgated the idea....To our minds this talk of legislation regarding so-called cooperation savors of the bogey of failure and surely as such should be avoided."

Dairy Outlook An editorial in The Pacific Dairy Review for February 25 says: "Although it is a bit early in the year to enable anyone to forecast the outlook for the dairy industry during the present year, the indications so far as they have developed are highly favorable....Undoubtedly the big factor in prices is going to be the rate of consumption of dairy products, and in this respect it looks highly encouraging. Industry is going to continue to boom. Reports are that extensive building programs are developing in every city, town and hamlet in the country. Automobile factories are behind on filling orders and this is true of the iron, textile and other manufacturing industries. It goes without saying that neither the dairy nor any other branch of the agricultural industry will be in the race with the urban industries, but these will leave a lot of cash in their trail and the dairy industry will be the closest up to gather some of it in. Taken as a whole the outlook for the dairy industry seems highly favorable."

Flour Market A Minneapolis dispatch to the press of March 9 states that the extent to which flour millers entered the wheat market last week was accepted as evidence there that the flour trade has taken a turn for the better. The Northwestern Miller reports that the downtrend in the wheat market brought a slight improvement in trade for mills, but on the whole this development was restrictive of business. Europe continues to show little interest in American flour, and what export business is being done is mainly with Latin America. Canada appears to be getting whatever business there is with Great Britain.

Planes to Fight Mexican Locusts

An Associated Press dispatch from Mexico City March 8 states that the Government has detailed aviators for service in the annual campaign against locusts and grasshoppers, starting this month. The planes will be used for rapid transportation of men and supplies to regions where the insect pests appear. By attacking eggs and insects very quickly after they are reported in any section it is hoped to prevent a repetition of last year's plague, which cost very heavy crop losses in various parts of the Republic.

Potash Industry Development

An editorial in The Washington Post for March 9 says: "A bill has been reintroduced in the Senate providing for an appropriation of $550,000 each year for five years to permit the Geological Survey and the Bureau of Soils of the Department of Agriculture to determine the location and extent of potash deposits in the United States and to study improved methods of recovering potash therefrom. Since the United States is perhaps the largest consumer of potash in the world, this matter should interest all farmers and growers of crops. It will be recalled that in 1922 an effort was made to encourage the production of American potash by imposing a small protective duty for a few years, decreasing each year until the duty was removed altogether. Agricultural associations and many members of Congress opposed the suggestion, on the ground that such a plan would impose a tax of many millions of dollars on the American farmers....Now it is suggested that the Government should spend $550,000 annually for four years for the purpose of permitting two Federal establishments to investigate and ascertain where, in the United States, deposits of potash may be found that might be worked profitably. Impressed with the need of developing a home supply of potash, the Geological Survey and the Bureau of Soils for ten years have employed every known method of research and discovery at their command....During the World War, an American potash industry of respectable size was established; but when the war was over the German competition was too severe. Congress failed to give the American enterprise protection, and it has declined to small proportions. It is certain that the domestic industry can not reach any size in competition with the German-French production without some Government encouragement. This is a matter in which the American farmers and growers are vitally interested."

"Radical" Farmers

An editorial in The New York Times for March 9 says: "Recent political developments, according to the National Industrial Conference Board, show a complete reversal in one respect. The farmers, who once constituted the main strength of conservative sentiment, now display 'strong radical tendencies.' The urban populations show an 'increasingly conservative trend.' But for more than half a century, at least, the 'radical' movements in our political history have been farmer movements, from Greenbackism through Populism and Bryanism to La Follettism. The backbone of the Third Party of 1924 was agrarian....Of neither the industrial workers nor of the farmers can it be said that radicalism in this country has had the significance it bears abroad. In Europe it has been a steady growth based on the rise of a great working class whose status and prospects have been regarded, in the radical philosophy, as permanent. It has been radicalism based on class. In this country it has been a sporadic radicalism fluctuating with good and hard times....The radicalism of a farmer whose crops were worth 10 billion dollars in 1916, nearly 18 billions in 1919 and 10 billions in 1921 must be considered in the light of crop possibilities two years from now. One definite factor in the farmer's discontent has emerged within the last year or two. That is the

famous 'surplus' which it is not in his power to regulate because of the great uncertainties which nature injects into the farmer's business. Shall Government or the farmer himself through cooperation manipulate this surplus in years of low prices?....."

Section 3

MARKET QUOTATIONS

Farm Products March 9: New York sacked Round White potatoes $4.15 to $4.35 per 100 pounds in eastern cities; mostly $3.90 f.o.b. Rochester. New York Baldwin apples closed at $3 to $4 per barrel in leading markets and $3 to $3.25 f.o.b. Rochester. New York yellow onions $2.25 to $2.50 sacked per 100 pounds in eastern cities; few $2 to $2.10 f.o.b. Rochester. Florida pointed type cabbage $2.25 to $2.75 per 1 1/2 bushel hamper in eastern markets.

Grain prices quoted March 9: No.1 dark northern Minneapolis $1.56 to $1.71. No.2 red winter St. Louis $1.72 1/2; Kansas City $1.65 No.2 hard winter St. Louis $1.65 1/2; Kansas City $1.59 to $1.65. No.3 mixed corn Minneapolis 64 1/4¢; Kansas City 67 1/2¢. No.3 yellow corn Minneapolis 70 to 73¢; St. Louis 71¢; Kansas City 68 1/2¢. No.3 white corn St.Louis 71¢; Kansas City 68¢. No.3 white oats Minneapolis 36¢; St. Louis 41¢; Kansas City 40¢.

Chicago hog prices closed at $14 for the top; bulk of sales $11.80 to $13.50. Beef steers heifers, good and choice $7.25 to $10.75; cows, good and choice $6.75 to $8.25; canner and cutter $3.75 to $4.75. Vealers, medium to choice, $11 to $14.75; heavy calves medium to choice $6.25 to $8.25; stocker and feeder steers, common to choice $6.75 to $9.25; fat lambs medium to choice $12.75 to $14.75; yearling wethers, medium to choice, $9.25 to $12.25; fat ewes, common to choice $5.50 to $9; feeding lambs medium to choice $12.50 to $14.50.

Middling spot cotton in 10 designated spot markets advanced 11 points, closing at 18.47¢ per lb. New York March future contracts advanced 13 points, closing at 19.33¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Mar. 9,	Mar. 8,	Mar. 9, 1925
	20 Industrials	151.27	150.10	124.33
	20 R.R. stocks	107.81	107.00	99.50

(Wall St. Jour., Mar. 10.)

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DAILY DIGEST

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Vol. XX, No. 58 Section 1 March 11, 1925.

ARBORETUM BILL The Senate agricultural committee yesterday favorably reported the bill to establish a national arboretum at Washington at a cost not to exceed $500,000. The committee boosted the amount authorized for the purchase of a site from $350,000 to the higher figure. A similar bill has been unfavorably reported by the House agriculture committee. (Press, Mar. 11.)

OTHER APPROPRIATIONS FAVORED The Senate agricultural committee yesterday ordered favorable reports on measures appropriating $40,000,000 for cooperative work with States for the protection of watersheds, and $550,000 for locating potash deposits, for the protection of forest lands and for prevention of fires in California national forest. (Press, Mar. 11.)

TOBACCO CROP CUT URGED A Danville, Va., dispatch to the press to-day states that A. B. Carrington, president of the Tobacco Association of the United States, yesterday issued a statement at Danville in the name of the Board of Directors warning producers of tobacco in the dark and bright belts of the South that the planting of a full sized crop would inevitably mean the collapse of prices at the next marketing season. The tobacco trade as a whole has a surplus on hand from other years and the American dealers will be unable to absorb the excess, the statement says.

NITRATES The press of March 10 says: "While President Coolidge has expressed warm approval over passage by the Senate of the Muscle Shoals leasing bill, it was emphasized at the Executive offices March 9 that he feels too little attention has been devoted to the national defense side of the question. Primarily this project, the White House spokesman pointed out, was for the manufacture of nitrates so that the Nation would be independent should command of the seas be wrested from it in the event of a war....At the present time nitrates are not available in this country. With the Muscle Shoals project developed to the limit, the spokesman advised an adequate reserve supply would be available, while at the same time the agricultural interests of the country would be able to have the surplus, thus keeping down the price, now considered above the fair margin because of the Chilean monopoly."

MINNESOTA BANK CLOSES A St. Paul dispatch to the press of March 11 states that the Farmers and Merchants State Bank of Cokato, with deposits of about $500,000, was closed March 10, the commissioner of banks announced, due to depleted reserves.

Section 2

Butter Tariff

An editorial in The Baltimore Sun for March 10 says: "The American people consume approximately two billion pounds of butter a year, almost all of which is produced at home. But a little does come in over tariff barriers, Denmark being the worst offender. In 1924 we imported from that country 7,172,000 pounds. Total imports in that year were 19,404,000 pounds. It frightened the farmer and the farmer's friends. A deluge of foreign butter was predicted and the Tariff Commission was besieged to protect the home market. But the deluge did not come. Europe came into the market liberally and there was a large reduction in American imports in 1925, Denmark exporting to us only 500,000 pounds, total imports being but 7,212,000 pounds. This hardly seems to justify belief that the American dairyman can not stand up against foreign competition, but the Tariff Commission, declaring that an emergency exists, recommended that the tariff on butter be increased fifty per cent, from eight to twelve cents a pound, and the President promptly approved the suggestion. It is difficult to understand what effect so small an amount of foreign butter would have on domestic prices. The American producer's most formidable competitor is oleomargarine, of which we consume 230,000,000 pounds a year despite strenuous effort to surround the sale of it with obstacles. Action of the Tariff Commission seems to be little more than a gesture, but it shows again that tariff revision to the commission almost invariably means revision upward."

Egg Marketing in Canada

An editorial in Ontario Farmer for March 1 says: "A few weeks ago, we commented in an editorial in Ontario Farmer upon the sudden drop in price which eggs took during the month of December, 1925, as compared with Decembers of former years, due to the fact that Ontario producers generally have become more efficient in the handling of poultry, and are now getting winter eggs in quantities not even thought of a few years ago. We pointed out in that editorial that the improvement in poultry raising practice would seem about to defeat its own ends, except for the fact that summer prices in 1925 were considerably above the level of summer prices of former years, and that with a gradually increasing per capita consumption a yearly price level would be established which would be quite as high as the average of the peaks and hollows of former years. While we still hold to that contention, a study of egg marketing conditions during the months of January and February indicates the necessity for the existence of some Province-wide distributing machinery, under the control of the egg producers themselves, if heart-breaking slumps are not to be experienced from time to time. Prices during the month of January were lower than have been experienced in that month for many years, and this time there was no 'come-back' about inadequate tariff protection, for the prices here were so low that United States eggs could not compete, and consequently practically no southern eggs were imported during the month. High production was partially responsible, but a total lack of any attempt at scientific merchandizing was responsible to an even greater degree.....What is needed is a Provincial producers' organization, large enough to control the marketing of the bulk of the eggs produced in the Province, with adequate cold storage facilities for holding eggs over in times of threatened market gluts, and with facilities for determining the respective needs of all the market centres so that distribution can be made accordingly....."

Firestone and Rubber Production

A cable dispatch from Manila March 10 states that Harvey S. Firestone, jr., intimated March 9, after his return from a two weeks' investigation of Mindanao rubber possibilities, that he had reached an agreement with Filipino authorities by which he would finance on a large scale the small rubber plantations owned by natives. The production is to be carried on along somewhat similar lines to the sugar industry, with central collecting points for the crop. According to the report, this will involve no changes in the land law and is believed to be a satisfactory compromise.

Flour Consumption

An editorial in Modern Miller for March 6 says: "Nat C. Murray, of Clement, Curtis & Co., does not believe flour consumption in the United States has decreased. On the contrary, his analysis shows that domestic consumption of wheat in the form of flour, July to Feb. 1, 1926, exceeded the like period last year by 4,000,000 bushels....Mr. Murray further supports this with the opinion that the very small potato crop and a short corn crop in the South have increased consumption of wheat flour. It is interesting to note Mr. Murray's view on this subject. He is a very careful statistician and observer. He made the 1911 estimate of per capita flour consumption for the Government, after sending out 10,000 letters of inquiry.....We believe no similar effort to determine and confirm per capita consumption has been made since that time. It was sufficient that the data confirmed the analysis of disappearance figures. Mr. Murray says it is not wise to generalize in matters of this sort, for there are always factors that enter such estimates that escape attention, but he believes disappearance analysis is the best available means of determining domestic consumption.....Increased population, shortage of potato crop and a small corn crop in the southern corn bread consuming districts, in his opinion, account for this increase. This is the opposite of what has been expresse by President Sydney Anderson, of the Federation, who has also been compiling figures on this subject."

Freight Rates

An editorial in Successful Farming for March says: "The farmers complain that freight rates are too high, yet the roads are trying to increase them. The roads complain that the rates are too low hence the demand for an increase. The train men are asking for an increased wage because of the increased cost of living. The railroads are pleading poverty hence the demand for higher rates and the excuse for resisting the increased wage to employees. The farmers want higher prices which will increase cost of living and be the excuse for workmen to go on strike for higher wages. Higher wages will be the excuse for higher freight rates and increased prices of all manufactured goods. So round and round the vicious circle the desire for economy chases the hungry demand for more, more, more. And only the farmer is caught in the cogs and forced to let the wheel run over him. And he pities himself. But wait and see if the others fare so well. There always comes a breaking point, prices get too high and employers have to shut down because the people will not buy. Men are thrown out of employment and can not buy. Stagnation hits the railroads and all business. It is then that the farmer is best able of all to wait for sanity to return to labor and business. Just as agriculture is rising out of the slough of despond, comes the menace of threatened strikes on transportation. There is a rumbling of discontent in too many places....It brings up the question, will the pooling of interests, as in labor unions, business combines or farm organizations, ever solve the question of stability? Will the restive human nature ever consent to a leveling process in wages, income, social or economic life? Can individuality be swallowed up in mass or relief action? Can we exterminate individuality without harm to the mass?"

Hoover Urges Inland Waterways

An Associated Press dispatch from Chicago March 10 says: "Herbert Hoover, Secretary of Commerce, March 9 outlined a complete inland waterway system, pointed out its economic necessity for the Middle West, and said he believed a 9-foot channel from Chicago to the Gulf was in sight. He appealed for settlement of lake level disputes by spending money 'on concrete and steel, rather than on the lawyers.'....He visualized two great inland waterway systems, the Mississippi system of modern barge lines and the Great Lakes system of ocean steamers, the latter of first importance despite the great economic value of the lakes-to-the-gulf route, completion of which is in sight....."

"Illinium"

An Associated Press dispatch from Urbana, Ill., March 10 says: "Honoring the State and the University of Illinois, the name 'Illinium' has been given to the newly discovered chemical element No. 61, its discoverer, Dr. B. S. Hopkins, of the chemistry staff of the University of Illinois, announced March 9."

An earlier dispatch from Urbana records the discovery as follows: "Nearly 20 years of research in the 'rare earth' group of the chemical field finally has resulted in the discovery of one of the five unknown, but supposedly existent elements, which make up all known compounds. The discovery, the first ever made in America, was announced March 8 by the University of Illinois as the work of Dr. B. S. Hopkins, professor of inorganic chemistry, assisted by L. F. Yntema and J. A. Harris, of the chemistry staff. The new element is known as No. 61."

Muscle Shoals

An editorial in The Baltimore Sun for March 9 says: "Congress has grown tired of Muscle Shoals. While debate on disposition of the enterprise has dragged along in the Senate, only advocates of Government operation have evinced interest in it. A majority of that body being opposed to putting the Government into the business except as a last resort, the proceedings have been as dull as ditch water. Not a single new thought has been advanced during the discussion....The whole proposition is shrouded in doubt. There is doubt whether fixation of nitrogen for defense and for use in fertilizer can be carried out economically at Muscle Shoals. If not, there is controversy as to how the energy developed shall be ultimately disposed of for power purposes among the near-by States. Congress has not been able to clarify these issues and in giving private capital another opportunity to say what can be done is taking the best way out of a badly muddled situation. The commission is given but a few weeks in which to negotiate a lease. It must report back by April 26. The time to ask for and canvass bids is so short that it is hardly possible for the commission to reach conclusions as to their merits and to make recommendations. The likelihood is that the matter will again be dumped into the lap of Congress without sound guidance to be once more thrashed over at length...."

Trade Relations

An editorial in The Wall Street Journal for March 9 says: "Near our doorstep lie great trade possibilities, of which we as a people seem almost as oblivious as the South African Kaffir who walked over 'acres of diamonds.' The proof is found in the 1925 trade with the West Indies, amounting to only $734,000,000, but with immense potentialities....In 1925 we sold to the West Indian countries 2 per cent more than in 1924, but purchased 16 per cent less in value, due to the drop in sugar. This accounts for the smaller total trade in 1925 than in the preceding year. We have no monopoly of trade in the Caribbean. In fact, in some of the Indies, like the French and Bermuda, there are tariffs which favor the mother

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[illegible]

country and hamper our importers. As a whole our West Indian trade gains; exports cover a wide range of manufactured products. Flour, meat, canned goods, machinery, automobiles, shoes, textiles, hardware--nearly everything except earmuffs, arctics and fur coats--are purchased by those island people from us. Here is a trade area that needs encouragement and careful development. These are agricultural countries, and with a few exceptions our imports are of agricultural products. There has been in the past more or less outcry against the growing value of our agricultural imports. But coffee, sugar, molasses, copra, bananas and winter vegetables can not harm our farmers, while the imports are of enormous benefit to the people at large. Neither should imports of mahogany and asphalt, offset by exports of soft wood and building cement, cause heartburn to some other interests. Any propaganda against those imports is mischievous. Passing from the West Indies to the continent of South America, there is an enormous field for development. Our trade with South America last year amounted to $921,000,000. Compare that total with the $734,000,000 from the islands, and the Caribbean trade at once assumes great importance."

Section 3
MARKET QUOTATIONS

Farm Products March 10: Chicago hog prices closed at $14.25 for the top, bulk of sales $11.90 to $13.75; beef steers choice $10.75 to $11.50; heifers, good and choice $7.25 to $10.75; cows, good and choice, $6.85 to $8.25; canner and cutter $3.75 to $4.90; vealers, medium to choice, $11 to $14.50; heavy calves, medium to choice $6.25 to $8.25; stocker and feeder steers, common to choice $6.75 to $9.25; fat lambs medium to choice $12.75 to $14.75; yearling wethers, medium to choice, $9.25 to $12.25; fat ewes, common to choice, $5.50 to $9; feeding lambs, medium to choice, $12.50 to $14.50.

New York sacked Round White potatoes $4.15 to $4.40 per 100 pounds in eastern markets; mostly $3.90 f.o.b. Rochester. New York Baldwin apples about 25¢ lower in eastern cities at $3 to $3.50 per barrel and steady in western New York at $3 to $3.25 f.o.b. Onion markets dull; prices irregular. Midwestern yellow varieties $2.25 to $3 sacked per 100 pounds in consuming centers; $2.30 to $2.40 f.o.b. producing sections. Florida pointed type cabbage 25 to 50¢ lower at $2.25 to $2.75 per 1 1/2 bushel hamper.

Closing prices on 92 score butter: New York 43 1/2¢; Chicago 43¢; Philadelphia 44¢; Boston 44¢.

Grain prices quoted March 10: No.1 dark northern Minneapolis $1.57 to $1.72; No.2 red winter Chicago $1.69; St. Louis $1.73; Kansas City $1.65. No.2 hard winter Chicago $1.64 1/4; St.Louis $1.65; Kansas City $1.59 1/2. No.3 mixed corn Minneapolis 67¢; Kansas City 67¢. No.2 mixed corn Chicago 76 1/2¢; No.4 mixed corn Chicago 69 1/2¢. No.3 yellow corn Minneapolis 70 to 73¢; St. Louis 71 1/2¢. Kansas City 68 3/4¢. No.3 white corn St.Louis 71¢; Kansas City 68 1/2¢. No.3 white oats Chicago 40¢; Minneapolis 36 1/4¢; St. Louis 40 1/2¢; Kansas City 39 1/2¢.

Middling spot cotton in 10 designated spot markets declined 12 points closing at 18.35¢ per lb. New York May future contracts declined 9 points, closing at 18.65¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Mar. 10,	Mar. 9,	Mar. 10, 1925
	20 Industrials	153.13	151.27	122.62
	20 R.R. stocks	108.69	107.81	98.58

(Wall St. Jour., Mar. 11.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XX, No. 59 Section 1 March 12, 1926.

CORN BELT AND CONGRESS The Associated Press to-day says: "Another rumble of threatened political trouble in the Corn Belt was heard yesterday by the House agriculture committee, conducting hearings on a farm relief bill. William Hirth, of Missouri, chairman of the Corn Belt committee sent to Washington by midwestern farm organizations, told the committee bluntly that the Republican party would be held to account if it failed to enact suitable farm relief legislation....He indicated that those who regard lightly the recent farm-relief conferences at Des Moines, he said, 'will do so at their peril.' ....'If we are once more sent away empty-handed,' he continued, 'or if Congress attempts to meet this profoundly grave situation with a mere meaningless palliative, then there will be a day of reckoning.' Mr. Hirth left last night for his home in Columbia, Mo., expressing encouragement over the prospect of relief legislation. Others of the middle western delegation will remain indefinitely to present in detail the plan he outlined, which suggests Federal insurance of surplus crops, to be paid for by an equalization fee on certain commodities. Another bill designed to take care of the export farm surplus was introduced yesterday by Senator Robinson. It is almost identical with a measure offered in the House by Representative Oldfield, and its chief proposal is the organization of a $200,000,000 Government corporation to loan money for financing the exportation of farm surplus."

IN CONGRESS The Senate yesterday adopted a resolution providing for a special committee of two Republicans, one Progressive and two Democrats, to be named by Vice President, to investigate the administration of Tariff Commission.

A proposal to find markets and provide credits for financing exports of surplus agricultural products and to authorize payment of bounties on exports of agricultural surpluses in contained in a bill introduced yesterday by Senator Robinson.

The House yesterday agreed to the Senate amendments to the Muscle Shoals lease resolution, with two amendments.

The McFadden bill equalizing taxation of national banks by States to conform with divergent State laws was favorably acted on yesterday by the House banking committee. (Press, Mar. 12.)

The press to-day states that a canvass of the Senate shows the members about equally divided in their opinions regarding the so-called Gooding long and short haul bill, which would circumscribe the power of the Interstate Commerce Commission to adjust freight rates to actual conditions. It is scheduled to be taken up in the Senate this week.

TOBACCO ASSOCIATION DISSOLUTION A Louisville, Ky., dispatch to the press to-day states that petitions are pending for dissolution of two cooperative tobacco marketing associations on the heels of a statement issued March 10 at Richmond, Va., by the board of governors of the Tobacco Association of the United States that a large crop this year would bring financial ruin for tobacco growers.

Section 2

Agricultural Legislation An editorial in The Journal of Commerce for March 11 says: "There is plenty of evidence that the farmer is in the saddle at Washington, even if not much ground exists for hope that anything constructive will be done in his behalf and even if the indications are that few if any of the measures some of the representatives of agricultural producers have set their hearts on will actually be enacted at this session of the Congress. If there be any doubt of the respect with which the Middle West is held in Washington, let doubting Thomases read what the Secretary of Commerce has recently had to say about canals, what Congressional committees are busy doing with sundry of the so-called misbranding bills, and let them note that the President has deemed the time propitious for a further reiteration of his view that Muscle Shoals must be devoted in large part at least to fertilizer production no matter what else Congress sees fit to do with the site in question. Of course, plenty of other indications of the same or essentially similar sorts are likewise in evidence, but what has been said is sufficient for the purpose. The pity of it all is that despite this tender solicitation expressed for the farmer, not one constructive move has been seriously initiated at the National Capital in behalf of the rural districts devoted to agriculture. Not even the self-styled representatives of the agricultural industry themselves are now any more able than they have been all along to come to any substantial agreement among themselves as to just what ought to be done...."

Branch Banking An editorial in The Wall Street Journal for March 11 says: "Our great Financial act of March 14, 1900, authorized banks with a minimum capital of $25,000 in towns not exceeding 3,000 population, thus meeting the encroaching competition of State banks in the small communities. The law gave the national banks a new lease of life. Louis T. McFadden admits another crisis confronts the national banks to-day. State-wide branch banking by State banks is threatening the welfare of the national associations. The emergency affects also the Federal Reserve system and involves the future expansion of American banking. Mr. McFadden seeks to meet the crisis by restrictive legislation under sections 8 and 9 of his pending banking bill....W.P.G. Harding, former governor of the Federal Reserve Board, now head of the Boston Reserve Bank, feels that the best solution of the question would be to leave the matter to the States to settle. 'It is difficult,' he says, 'for Congress to frame a working banking law applicable alike to States so different in size and character as Rhode Island and Texas, for example. Federal law would give ample protection by prohibiting a member bank from establishing a branch outside its own State.' He points out that Congress has never undertaken to enact a usury law governing national banks, further than to say they may charge whatever rate of interest may be legal in the State in which they are located. Exactly the same latitude should apply in respect of branch banking. There is no valid argument put forward to show that branch banking has been harmful. A branch bank makes possible to the small town credit facilities equal to those enjoyed by a city, with at least an equal degree of safety. 'If national banks can not be permitted to render services of this kind,' comments Vice Governor Platt, 'because of prejudice against branches, why should we say to a State that its State banks can not render such service and remain in the Federal Reserve system.' It is not more restrictive banking laws that are needed to-day but broader powers along proven, sound lines. If Mr. McFadden would make his bill a really constructive measure and stimulate the Federal banking system, it should grant member banks local State privileges as to branches, thus affording equal grounds for competition between national and State institutions."

Budget Bureau Disapproves Potash Investigation "Joint investigations by the United States Geological Survey and Bureau of Soils, Department of Agriculture, to determine the location and extent of potash deposits or occurrence in the United States and improved methods of recovering potash, would be authorized under the provisions of a bill ordered favorably reported by the Senate agricultural committee. The bill, which was introduced by Senator Morris Sheppard, of Texas, has the disapproval of the Bureau of the Budget, General Lord holding that it is not in line with the policy of the President with respect to additional appropriations." (Jour. of Commerce, Mar. 11.)

Farm Loan Funds The Journal of Commerce for March 11 states that the Federal Farm Loan Board is sending a representative to Columbia, S.C., to investigate complaints made against the alleged slowness in action upon applications made by farmers for loans. Complaints have recently come to Senator George, of Georgia, that farmers in his State are not having their applications for loans acted upon with proper dispatch. He took up the matter with Commissioner Cooper of the board. It was stated that many of the banks in the South can not loan any additional funds because they now have loans outstanding to the legal limit. According to members of Congress interested in the matter, farmers who filed applications as far back as January 1 with the Intermediate Credit Banks have been unable to have their loans granted. The bank at Columbia serves the States of North and South Carolina, Georgia and Florida.

Farm Relief An editorial in The Philadelphia Ledger for March 11 says: "Edwin T. Meredith, who was Secretary of Agriculture in the Wilson Cabinet, comes from Iowa. He seems to have been infected by the Iowa price-fixing idea in a rather malignant form....His plan includes the now familiar 'equalization tax' proposed by the 1926 price-fixers, but he calls it an 'insurance tax.' This is to be assessed against the crop somewhere on its way from the field to the final market. Doubtless the United States Treasury is expected to advance millions enough to start the scheme on its way. The Meredith plan is not much different from the Dickinson plan and the Dickinson plan is a warmed-over McNary-Haugen plan. The Alpha to Omega of them all is price-fixing."

Rubber Exchange An editorial in The Journal of Commerce for March 10 says: "Our Government officials have been proposing various wildly impracticable schemes for assuring consuming industries a steady supply of crude rubber at low prices. Meanwhile practical men who actually execute buying orders for the crude rubber which our factories require have been busy developing less ambitious schemes to organize the market so that the industrial consumer may, if he chooses, protect himself against the ups and downs of unavoidable price changes. A great deal in the way of positively constructive achievement is promised by the recent establishment in New York of a rubber exchange, whose members will deal in 'futures' and be able to provide industrial buyers with the machinery for 'hedging' their actual purchases. The need for some such mechanism to protect the manufacturer against the speculative risks that are involved in the changing prices of his raw materials is, of course, universally felt...."

Tariff Commission An editorial in The Washington Post for March 11 says: "A showdown in Congress between those who have different views on the United States Tariff Commission is in sight. Certain charges have been made and denied relative to the activities of the commission on the sugar and

other matters wherein the so-called flexible tariff has been invoked. Now it is proposed to have the commission send to the Senate a certified copy of its proceedings from September 22, 1922, when the present tariff law was enacted, to January 26, 1926. This should disclose any unauthorized or improper activity of the commission or any extraneous influences giving rise to suspicion or doubt. The Tariff Commission...has been a subject of controversy ever since Congress met last December. It would be well to have the public know what the commission has been doing."

Wheat Pool Conference

An editorial in The Wisconsin Farmer for February 25 says: "One of the really significant developments in the agricultural marketing field will be found in the conference held at St. Paul on February 15th, between the cooperative wheat marketing organizations of Canada, Australia and the United States. This conference was attended by more than 75 representatives of wheat marketing cooperatives of the world, and by unanimous vote these delegates voted to form an organization which, they plan, will ultimately control the marketing of all of the wheat raised in the world. This is indeed an ambitious plan, and one which farmers ought to watch with interest....This international organization plans to act as a world clearing house of reliable information upon the wheat situation of the globe. It will endeavor to avoid ruinous competition between the growers of the various countries. As Canada, the United States and Australia are the great producers of surplus wheat, the new combination may easily dominate the world market. The most impressive feature of this meeting is the fact that it has been called and held by the initiative of actual cooperative organizations, representing millions of farmers of such widely separated sections of the globe as Texas, Saskatchewan and Australia. They have quietly determined not to depend upon Government activities, either by Great Britain; the dominions of Canada or Australia, or of the United States to solve some of the embarrassing problems of the world wheat market, but are going to do the job themselves."

Wisconsin Farm Organization

An editorial in The Wisconsin Farmer for February 25 says: "United action in matters of common interest by the various agricultural organizations of Wisconsin is contemplated by the Wisconsin Council of Agriculture, formed at Madison last week at a meeting attended by representatives of the Grange, the Farm Bureau, the American Society of Equity and the North American Farmers' Federation.....There is a real possibility of service in a grouping of this character, especially in Wisconsin, where the general type of farm organization has been somewhat overshadowed in recent years by pure cooperatives. There is a great field for the general farm organization, both in working for better conditions for the farmer, and in the fostering of cooperative enterprises. The interests of the members of all of these organizations are identical, and it is to be deplored that their memberships are not much greater."

Wool Trade

A Boston dispatch to the press to-day states that toward the end of the week the wool business improved on the Boston market. Both the manufacturers and the dealers were more inclined to negotiate, and the market is not yet beyond the stage of negotiation. The dealers are not yet able to set a price and adhere to it strictly. Both sides watched with deep interest the opening of the London sales this week, as a low opening would have still further depressed the Boston market. The London opening quotations on virtually all grades either went up several cents or were exactly the same as on January 19, and the first reports from

London served as a stimulus on the Boston market. No further weakening in quotations is expected immediately, and enough wool is coming from abroad to indicate that the foreign market will dominate the local business for a while. The arrival of domestic wool has increased somewhat recently, but the receipts of foreign wool have increased by leaps and bounds. While 16,000,000 pounds of domestic wool have been brought into Boston thus far this year, receipt of close to 66,000,000 of foreign wool is recorded at the customs house.

Section 3

MARKET QUOTATIONS

Farm Products March 11: Closing sales of New York sacked Round White potatoes brought $4.15 to $4.50 per 100 pounds in eastern markets; $3.90 to $4.05 f.o.b. Rochester. New York Baldwin apples $3 to $4 per barrel in leading markets; $3 to $3.25 f.o.b. Rochester. Florida pointed type cabbage $2 to $2.75 per 1 1/2 bushel hamper. Midwestern yellow onions fairly steady at $2.25 to $3 sacked per 100 pounds in consuming centers.

Chicago hog prices closed at $14 for the top, bulk of sales $11.70 to $13.50 beef steers choice $10.75 to $11.50; heifers good and choice $7.25 to $10.75; cows, good and choice $6.85 to $8.25; canner and cutter $3.75 to $4.90. Vealers, medium to choice, $10.50 to $14; heavy calves, medium to choice, $6.25 to $8; stockers and feeders, common to choice, $6.75 to $9.25; fat lambs medium to choice $12.25 to $14.40; yearling wethers, medium to choice $9 to $12, fat ewes, common to choice $5.50 to $9; feeding lambs medium to choice $12.50 to $14.50.

Closing prices on 92 score butter: New York 43¢; Chicago 42 3/4¢; Philadelphia 43¢; Boston 44¢.

Grain prices quoted March 11: No.1 dark northern Minneapolis $1.59 to $1.74. No.2 red winter Kansas City $1.70. No.2 hard winter Kansas City $1.63. No.3 mixed corn Kansas City 68 1/4¢. No.4 mixed corn Chicago 70 1/2¢. No.2 yellow corn Chicago 76 3/4¢. No.3 yellow corn Kansas City 69 1/2¢; No.3 white corn Kansas City 69 3/4¢. No.3 white oats Chicago 40 1/2¢; Kansas City 40¢.

Middling spot cotton in 10 designated spot markets declined 3 points, closing at 18.32¢ per lb. New York May future contracts declined 2 points closing at 18.63¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Mar. 11,	Mar. 10,	Mar.11,1925
20 Industrials	153.00	153.13	123.26
20 R.R. stocks	110.41	108.69	98.87

(Wall St. Jour., Mar. 12.)

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DAILY DIGEST

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Vol. XX, No. 60 Section 1 March 13, 1926.

FARM RELIEF The Associated Press to-day says: "Farm-relief leaders of the Middle West have agreed to important changes, in their legislative program, which will be laid before the House agriculture committee in a completed bill within a few days. Although the delegations from eleven States had not reached an accord last night on all points, it was learned that the bill would contain a clause placing an embargo on importation of corn for a year. The measure will retain a Federal Farm Board, with authority to contract for exporting surplus crops, any losses to be borne by a revolving fund. This fund would be started by an appropriation of $250,000,000 and permanently financed through an equalization fee paid by manufacturers processing agricultural commodities. It is expected, however, that the equalization fee, to be deducted from the price received from the farmer, will apply only to four commodities--wheat, cotton, hogs and cattle. Corn would receive the same benefit in a different form. One provision under consideration would have the board buy directly a certain quantity of corn, but there is considerable sentiment among the delegates to maintain the contract method of disposing of all crops, with the farmers' cooperative organizations utilized whenever possible. Another change in the bill would fix the maximum price to be paid for the surplus of products classed as basic commodities. This price would be the world market quotation, plus the import tariff on the crop affected and the cost of transportation....The middle westerners did not appear before the committee yesterday, but gave way to Carl Vrooman, of Illinois, a former Assistant Secretary of Agriculture. He indorsed the Robinson-Oldfield bill to establish a farmers' export corporation with authority to lend money to European purchasers of surplus American crops."

THE LEGISLATIVE PROGRAM The New York Times to-day says: "The legislative program was tentatively revamped yesterday by Republican leaders in conference with President Coolidge, so as to permit Congress to adjourn not later than June 1.....The rearranged program does not include any farm legislation and present indications are that the railroad consolidation bill will not be enacted....While the conference yesterday was not final and can not be considered as indicating the definite legislative program, yet the measures that are tentatively included in it indicated certain major measures. According to Senator Willis and Mr. Tilson, the revamped program, possibly subject to some slight changes, will be as follows: Approval of the Italian debt settlement plan. The public building bill carrying $165,000,000. The bill abolishing the Railroad Labor Board and substituting for it a mediation plan acceptable to the railroads and their employees. Coal legislation embodying the President's recommendations for the appointment of a commission to investigate the cause of a threatened strike. Some arrangement for the disposal of Muscle Shoals. This program precludes action on the many bills for relief to agriculture, railroad consolidation and revision of the shipping laws to separate the Shipping Board from control of the operation of the Government-owned vessels....."

Section 2

British Agricultural Credit

An editorial in The Field (London) for February 25 says: "The capital needs of agriculture are of two kinds. The first is fixed capital to be sunk permanently or for long periods in the acquisition or improvement of land and the purchase of equipment; the second is working capital to be used for short periods in growing, harvesting and marketing the crops. The period of turnover in agriculture is long. There is no question of applying the slogan 'small profits, quick returns' -- the basis on which so many great businesses have been built. Take the wheat crop. The ground is prepared in the early autumn, or even throughout the preceding summer, seed corn and manures have to be bought, rent and rates have to be paid, the labor bill must be met each week, but there can be no possible return on the capital employed for at least ten months. Naturally, therefore, a farmer is often short of cash before he can market his crops, and he must either rush something on to the market--whatever the price--or he must borrow money. To adopt the former course may be disastrous, but if he wishes to borrow, what are the facilities open to him? This question is considered at length in the Ministry's report. The two main sources of credit available to farmers are the banks and the tradesmen. The banks are popularly supposed to be less sympathetic to farmers now than they were in the days of old private concerns. Actually, however, the farmer who is enterprising and keeps books has little difficulty in obtaining credit, but when no books are kept it is very difficult for the bank manager to form an estimate of the amount of indebtedness of his client to tradespeople. In such circumstances it is not to be wondered at that banks require security for their loans... The second, and perhaps the principal, source of short-term credit at the present time is the loan from corn merchant, auctioneer, or cattle dealer. In this case no interest, as such, is charged, and, to quote the monthly circular of a large firm of agricultural merchants, 'there are undoubtedly many farmers who do not realize that credit, deferred payment, loans, the prolonged use of capital, or whatever one may choose to term it, costs money....When a merchant does not quite know how his customer stands, he naturally feels that there is an element of risk, and this must be provided for.' In practice this system means that a farmer frequently has to buy in the dearest market and sell in the cheapest, and in any case he does not know what the credit is actually costing him. 'To free the farmer from the credit entanglement in which this practice only too frequently involves him, must be looked upon, therefore, as one of the primary aims of a rational credit system.'....The proposal made in this report is that 'legislation should be enacted enabling a valid charge on certain assets, representing "temporary" agricultural wealth, to be given in favor of the banks, ranking in priority to all other charges except those in respect of rent, rates and taxes. The charge would be in the form of a chattel mortgage, and the character of the commodities which could be charged should be defined by law.'...These suggestions follow the American precedent which has proved successful. When we come to long-term credit the problem is rather different. Farmers have been able to obtain mortgages in the past through solicitors and land agents, but there has always been uncertainty as to the period such loans will be allowed to run, and there has been no uniform method of redemption. To overcome these difficulties it is proposed that a Central Land Bank should be established, which would make long-term mortgage loans through the joint stock banks and their branches, and would raise money for the purpose by the issue of debentures to the public....The

suggestions contained in this report are admittedly only put forward by the Ministry as a basis for further consideration and discussion, but, if they meet with the approval of the joint stock banks, they will certainly prove of great value to the farming community....."

Canadian Wheat Pools

A Regina, Sask., dispatch to the press of March 12 says: "An offer of the Saskatchewan wheat pool to the Saskatchewan Cooperative Elevator Company for the purchase of the latter's elevators was made public March 11 by the pool. When the price has been determined by arbitration, the pool is prepared to pay $2,000,000 this year and $1,000,000 yearly, the offer discloses. The proposal is to take over the entire 451 country elevators, terminals with an average capacity of 7,500,000 bushels at Port Arthur, a lease of the Canadian National Terminal with 7,500,000 more, the transfer house, with the new addition at Buffalo, and the company's office building at Regina. If the offer is accepted the Saskatchewan wheat pool, with a membership of 72,100, will start next year's operations with control of more than 600 country elevators."

Farm Policies

An editorial in Hoard's Dairyman for March 10 says: "Any person who has given close consideration to agriculture and its development knows that the future of agriculture lies, to a very large extent, in the hands of those operating farms. Assistance can be rendered to this great industry through our experiment stations, colleges of agriculture, and farm organizations. There is also opportunity to enact laws which will help to meet new conditions as they arise. Those who hold that the influences outside of agriculture are more important in solving the agricultural problems than the farmer have not comprehended the factors which make for successful agriculture. Hon. J. D. Jones, jr., Commissioner of Agriculture in Wisconsin, recently gave several factors that stand out as being paramount in importance if the farmer and the members of his family are to receive a return commensurate with the value of the service they render. He enumerated them as follows: 1. The individual farm must be operated on a basis of reasonable efficiency. Diversification, high producing acres, herds, and flocks, and the production of those things to which the farm is adapted and for which there is a market, are positively essential. 2. A rational land policy by the Federal and various State governments will result in (A) A better balance between farm production and market requirements. (B) The growing of trees as well as potatoes and corn. (C) The utilization of uncultivated acres in a reasonable extension of agriculture and also in their adaptation to the industrial and recreational requirements of the American people. 3. The cooperative movement can do much for American agriculture. It can not be developed, however, and neither can it function until the farmer himself is ready to cooperate. 4. Provision must be made for the orderly disposition of staple crop surpluses. To accomplish these results requires careful planning by the farmer, the development of local communities and sound leadership."

Federal Highway Aid

An editorial in The Washington Post for March 12 says: "A. J. Brosseau, director of the National Automobile Chamber of Commerce, comes to the defense of the Federal aid highway act, commonly called the 50-50 plan. He says that Federal aid is not 'aid' at all, but the share paid by the Government as a recognized obligation for its use of and interest in such a national system. The law limits Federal expenditure to $15,000 a mile; and the result as it works out, according to Mr. Brosseau, is not 50-50 but about 47-53, with the biggest share on the side of the States. In 1916 Congress passed the first Federal aid highway act,

appropriating $5,000,000 to start the job of assisting the States in building nationally connected highways. Since then Congress has appropriated about $615,000,000. Of this sum about $420,000,000 has been paid to the States. The system now totals about 178,797 miles, with all States included. The work is directed by the State highway boards, in cooperation with the Federal board. Mr. Brosseau estimates that the States will take in this year, for license and gas taxes, something like $400,000,000."

Section 3

Department of Agriculture 1

Government methods of cotton crop forecasting are appraised in a report on the subject made public to-day by the agricultural service of the Chamber of Commerce of the United States. The agricultural service reaches the conclusion, based upon an exhaustive survey of cotton crop forecasts for the past ten years, both Government and private, their effects upon market prices and the variation from ginning figures, that "under present conditions the system employed by the Crop Reporting Board in forecasting cotton production appears to be the only feasible system for arriving at an intelligent conception of the probable size of the cotton crop." The Government forecasts, it finds, "give valuable information to the cotton trade. In most instances they probably form a basis for trading that more nearly reflects current conditions than would be possible without them. But at the same time they do disturb the market, and there should be enough time between forecasts to allow the market to recover. Evidently this is not possible with two forecasts a month."... "All that these forecasts attempt to do," says the agricultural service, summarizing its conclusions, "is to measure the cotton acreage and its condition of growth as of a certain date, and to calculate a figure for the prospective crop on the basis of the average size of the crop which similar conditions have produced over a series of years. The accuracy of the Government's method is demonstrated by the fact that the average of its forecasts for a number of years approximates closely the average of the ginning returns. The Department of Agriculture has the largest statistical organization of any of the agencies forecasting the cotton crop. Its forecasts, on the average, have been nearer to actual ginning returns than the figure commonly called 'the average of the private forecasts.' They have also been less variable from one time to the next. All of the forecasts are subject to about the same limitations."

On the other hand, the agriculture service observes that the official character of the Government forecasts renders them much more authoritative than any of the private forecasts; the Government figures usually disagree with those of private forecasting agencies, and that, consequently, price fluctuations on the days of their publication are usually most violent. "Fear of these fluctuations" it says, "slows up the whole cotton trade for several days preceding the date of publication of the forecasts. On account of possible price declines or of falling off in the demand for cotton following the release of the Government reports, many are afraid to buy. The disturbed condition of the trade has become greatly aggravated since the institution of the semi-monthly forecasts, and criticism of the forecasts has been correspondingly severe. As a result, a number of bills have been introduced in the present session of Congress providing for a reduction in the number of reports and for the elimination of the early season bale forecasts. Cotton acreage estimates of the Department of Agriculture are criticised at times, but for the most part the trade accepts them. Very seldom are the preliminary estimates more than 5 per cent off from the final revision."

Department of Agriculture 2

David A. Hughes, recording "Texas Cotton News" in Commerce and Finance for March 10, says: "Mr. Cooper and Mr. Palmer of the Department of Agriculture have to date ignored the continual requests of the Houston, Galveston and Dallas Cotton exchanges as to the names of the complainants and evidence supporting the charge that the spot differences in these markets were out of line with actual trades. These requests have developed into insistent demands and the Texas exchanges, feeling that their integrity has been questioned, have called upon their Representatives in Congress to ask Secretary of Agriculture Jardine to force these gentlemen to accede to the just demands of the Texas Cotton Trade....The report of February 25 of the ten designated spot markets quoted low middling at 310 off middling. This grade has been one of the principal points of discussion throughout this whole controversy and it might be well to call attention to the fact that a lowering of these differences would be taking money out of the pockets of holders of spot cotton when the majority of the trade consider present quoted differences as representing true values. It has been reported that three representatives of the Department of Agriculture have started the investigation in Houston. Other designated spot markets in Texas will insist that a full investigation be made in Dallas and Galveston and it seems reasonable to presume that during these investigations the Department of Agriculture will be forced to uncover this great mystery and make public the names of the original complainants...."

Section 4
MARKET QUOTATIONS

Farm Products

March 12: Chicago hog prices closed at $14.25 for the top; bulk of sales $11.50 to $13.50; beef steers; heifers, good and choice, $7.25 to $10.75; common and medium $6 to $9; cows, good and choice $6.85 to $8.25; canner and cutter $3.75 to $4.90; vealers, medium to choice, $10.50 to $14; heavy calves medium to choice $6.25 to $8 stocker and feeder steers, common to choice, $6.75 to $9.35; fat lambs medium to choice $12.25 to $14.40; yearling wethers, medium to choice $9 to $12; fat ewes, common to choice, $5.50 to $9; feeding lambs, medium to choice, $12.50 to $14.50.

Northern Round White potatoes advanced 45¢ to 50¢, closing at $4.15 to $4.30 sacked per 100 pounds in Chicago and $3.75 to $4 f.o.b. Delaware and Maryland yellow varieties of sweet potatoes $2.50 to $2.75 per bushel hamper. Florida pointed type cabbage mostly $2.25 to $2.50 per 1 1/2 bushel hamper in eastern cities. New York Baldwin apples about steady at $3 to $4 per barrel in leading markets; $3 to $3.25 f.o.b. Rochester.

Closing prices on 92 score butter: New York 43 1/4¢; Chicago 43¢; Philadelphia 43¢; Boston 44¢.

Grain prices quoted March 12: No.1 dark northern Minneapolis $1.62 to $1.75. No.2 red winter St.Louis $1.77; Kansas City $1.71. No.2 hard winter Chicago $1.71; St.Louis $1.70; Kansas City $1.65 to $1.68. No.3 mixed corn Kansas City 68 3/4¢; No.4 mixed corn Chicago 70 1/2¢. No.2 yellow corn Chicago 76 3/4¢. No.3 yellow corn St.Louis 71¢; Kansas City 70 1/2¢. No.3 white corn St.Louis 72¢; Kansas City 70 1/2¢. No.3 white oats Chicago 40 1/2¢; St.Louis 41 1/2¢; Kansas City 40 1/2¢.

Middling spot cotton in 10 designated spot markets advanced 20 points, closing at 18.52¢ per lb. New York May future contracts advanced 26 points, closing at 18.89¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Mar. 12,	Mar. 11,	Mar. 12, 1925
20 Industrials	153.03	153.00	124.60
20 R.R.stocks	111.21	110.41	99.65

(Wall St. Jour., Mar. 13.)

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